



## **IMPUMELELO CP NOTE PROGRAMME 1 (RF) LIMITED**

*(Registration Number 2013/211998/06)*

### **PROGRAMME MEMORANDUM**

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#### **Serialised Note Programme**

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On 31 July 2014, iMpumelelo CP Note Programme 1 (RF) Limited (the "**Issuer**") established a note programme (the "**Programme**") for the issue of notes ("**Notes**") thereunder from time to time. Pursuant to the Programme, the Issuer issued a programme memorandum dated 31 July 2014 (the "**Previous Programme Memorandum**"). The Issuer wishes to amend certain provisions of the Programme and accordingly wishes to enter into this amended and restated Programme Memorandum. With effect from the date of signature of this amended and restated Programme Memorandum, this amended and restated Programme Memorandum shall supersede and replace in all respects the Previous Programme Memorandum.

Under this Programme, the Issuer may from time to time issue limited recourse secured registered Notes denominated in South African Rand, which Notes will relate to a specified segregated group of assets and liabilities of the Issuer ("**Series**") and will be subject to the terms and conditions (the "**Terms and Conditions**") contained in the section of this programme memorandum (the "**Programme Memorandum**") entitled "*Terms and Conditions of the Notes*" unless otherwise specified or amended in the relevant series supplement ("**Series Supplement**") issued in relation to the Notes of that specific Series. In addition, in relation to each Tranche of Notes of each Series, the Issuer will issue a pricing supplement ("**Applicable Pricing Supplement**") in respect of the relevant Series Supplement setting out the particular details of that Tranche of Notes. The aggregate Outstanding Principal Amount of Notes that may be issued under each Series will be specified in each Series Supplement and Applicable Pricing Supplement and may be increased by the Issuer from time to time in accordance with the Terms and Conditions and such increased amount shall be notified to the JSE. Capitalised terms used below are defined in the section of this Programme Memorandum entitled "*Terms and Conditions of the Notes*".

Save as set out in this Programme Memorandum or any Series Supplement, the Notes of each Series will not be subject to any minimum or maximum maturity. The aggregate Outstanding Principal Amount of Notes which may be issued by the Issuer under each Series shall not exceed the Series Limit as specified in the Series Supplement for that Series.

This Programme has been registered with the JSE. Listed or unlisted Notes may be issued in respect of each Series. A Tranche of Notes may be listed on the Interest Rate Market of the JSE or on such other exchange as may be determined by the Issuer and the Arranger, subject to any Applicable Laws. With respect to a Tranche of Notes of a Series to be listed on the Interest Rate Market of the JSE, the relevant Series Supplement and Applicable Pricing Supplement relating to that Tranche will be delivered to the JSE and the Central Securities Depository before the Issue Date, and the Notes

may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement. The trading of Notes listed on the Interest Rate Market of the JSE will take place in accordance with the rules and operating procedures for the time being of the JSE. The settlement of trades on the JSE will take place in accordance with the electronic settlement procedures of the JSE and the Central Securities Depository. The settlement and redemption procedures for a Tranche of Notes listed on another exchange, irrespective of whether that Tranche is listed on the Interest Rate Market of the JSE as well, will be specified in the Applicable Pricing Supplement.

With respect to Notes not listed on the Interest Rate Market of the JSE, the placement of such unlisted Notes may be reported through the JSE reporting system in order for the settlement of trades to take place in accordance with the electronic settlement procedures of the JSE and the Central Securities Depository. In such event, the Series Supplement (if required) and the Applicable Pricing Supplement will be delivered to the JSE and the Central Securities Depository. With respect to Notes not listed on the Interest Rate Market of the JSE, and not to be settled through the electronic settlement procedures of the JSE and the Central Securities Depository, no Series Supplement or Applicable Pricing Supplement will be delivered to the JSE or the Central Securities Depository. Unlisted Notes are not regulated by the JSE. Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the BESA Guarantee Fund Trust.

Each Tranche of Notes in relation to a Series will be subject to the Terms and Conditions, provided that the Series Supplement and the Applicable Pricing Supplement relating to a Tranche of Notes may specify other terms and conditions (which may replace, modify, supplement and/or clarify the Terms and Conditions). Details of a particular Tranche of Notes and the additional terms and conditions specific to that Tranche of Notes, including the Principal Amount, the Interest Rate, the Issue Date, the Issue Price and the Final Redemption Date, will be specified in the Series Supplement and the Applicable Pricing Supplement, as the case may be.

Notes may be issued on a continuing basis and be placed by one or more Dealer(s) appointed by the Issuer from time to time, which appointment may be for a specific issue or on an ongoing basis.

The Programme is not rated. Certain Tranches of Notes issued under a Series may be rated by a Rating Agency on a national and/or global scale basis. Unrated Tranches of Notes may also be issued and Tranches of Notes may be issued that are assigned a Rating (if any) by a different Rating Agency to the Rating Agency that assigned a Rating to any Tranche of Notes in issue. A Rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency.

The Notes will constitute secured, limited recourse obligations of the Issuer. All payments to be made to the Secured Creditors (including the Noteholders) of any particular Series will be made by the Issuer from the particular segregated group of assets of the Series to which the Notes relate, as specified in the relevant Series Supplement. All payments to be made to the Secured Creditors (including the Noteholders) of any particular Series (whether made by the Issuer or the Security SPV) will be made in accordance with the Priority of Payments specified for that Series.

The Notes of each Series will be secured by a limited recourse guarantee ("**Series Guarantee**") issued by the Security SPV in relation to that Series as described in the section of this Programme Memorandum entitled "*Security Arrangements*".

The Notes will be obligations solely of the Issuer. The Notes will not be obligations of, or the responsibility of, or (unless otherwise stipulated in the relevant Series Supplement) guaranteed by, the Arranger, the Dealer(s), the Debt Sponsor, the other parties to the Series Transaction Documents, or, save to the extent of the net amount recovered from the Issuer pursuant to the Series Indemnity and from the property realised pursuant to the other Series Security Agreements (and then subject to the payment of higher ranking creditors in the Priority of Payments), the Security SPV, or any of their respective affiliates. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes of a particular Series will be accepted by the Arranger, the Dealer(s), the Debt Sponsor, the other parties to the Series Transaction Documents, the JSE, or, save to the extent of the net amount recovered from the Issuer pursuant to the Series Indemnity and from the property realised pursuant to the other Series Security Agreements, the Security SPV, or any of their respective affiliates. The cashflows ultimately backing the Notes derive from the assets within the relevant Series of the Issuer to which such Notes relate and do not derive in any way from any other cashflows or the assets of any other Series within the Issuer.

Prospective purchasers of Notes of a Series issued under the Programme should pay particular attention to the section of this Programme Memorandum entitled "*Investment Considerations*" as well as the section entitled "*Investment Considerations*" in the relevant Series Supplement.

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*Arranger, Dealer and Debt Sponsor*



*Attorneys to the Arranger, Dealer and Issuer*



Programme Memorandum dated 17 August 2015

**Capitalised terms used in this Programme Memorandum are defined in the section of this Programme Memorandum entitled "Terms and Conditions of the Notes" unless separately defined in this Programme Memorandum and/or the Series Supplement and/or the Applicable Pricing Supplement. Expressions defined in this Programme Memorandum will bear the same meanings in supplements to this Programme Memorandum which do not themselves contain their own definitions.**

*The Issuer accepts responsibility for the information contained in this Programme Memorandum and in each Series Supplement and Applicable Pricing Supplement issued in relation to a particular Series. The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Programme Memorandum and the Series Supplement and Applicable Pricing Supplement issued in relation to a particular Series which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Programme Memorandum and the Series Supplement and Applicable Pricing Supplement issued in relation to a particular Series contain all information required by Applicable Law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in this Programme Memorandum, the Series Supplement, the Applicable Pricing Supplement issued in relation to a particular Series and the annual financial report and any amendments to the annual financial report or any supplements from time to time, except as otherwise stated herein.*

*In respect of each Series, this Programme Memorandum and the Series Supplement and Applicable Pricing Supplement issued in relation to a particular Series are to be read in conjunction with all documents which are deemed to be incorporated herein by reference in respect of that Series. This Programme Memorandum shall be read and construed on the basis that such documents are incorporated into and form part of this Programme Memorandum.*

*The Issuer, having made all reasonable enquiries, confirms that this Programme Memorandum and each Series Supplement and Applicable Pricing Supplement issued in relation to a particular Series contain or incorporate all information which is material in the context of the issue and offering of the Notes of that Series, that the information contained or incorporated in this Programme Memorandum and each Series Supplement is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Programme Memorandum are honestly held and that there are no other facts the omission of which would make this Programme Memorandum and each Series Supplement or any information or expression of any such opinions or intentions misleading in any material respect.*

*The JSE assumes no responsibility or liability of whatsoever nature for the correctness of any of the statements made or opinions expressed or information contained in or incorporated by reference into this Programme Memorandum, each Series Supplement and any Applicable Pricing Supplement. The admission of any Tranche of Notes of a Series to the list of debt securities maintained by the JSE and the listing of such Notes on the Interest Rate Market of the JSE is not to be taken as an indication of the merits of the Issuer in respect of the Notes of that Series. The JSE assumes no responsibility or liability of whatsoever nature for the contents of this Programme Memorandum, each Series Supplement and any Applicable Pricing Supplement or the annual financial report or any other information incorporated by reference into this Programme Memorandum, each Series Supplement and any Applicable Pricing Supplement and the JSE makes no representation as to the accuracy or completeness of this Programme Memorandum, each Series Supplement and any Applicable Pricing Supplement, the annual financial*

report or any other information incorporated by reference into this Programme Memorandum, each Series Supplement and any Applicable Pricing Supplement. The JSE expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of this Programme Memorandum, each Series Supplement and any Applicable Pricing Supplement or the annual financial report or any other information incorporated by reference into this Programme Memorandum, each Series Supplement and any Applicable Pricing Supplement.

Information contained in this Programme Memorandum with respect to the Arranger, the Administrator, the Dealer, the Debt Sponsor, the other parties to the Series Transaction Documents and each Security SPV has been obtained from each of them for information purposes only and the Issuer assumes no responsibility for such information. The delivery of this Programme Memorandum and any Series Supplement shall not create any implication that there has been no change in the affairs of the Arranger, the Administrator, the Dealer, the Debt Sponsor or the other parties to the Series Transaction Documents or each Security SPV since the date hereof or that the information contained or referred to herein is correct as at any time subsequent to its date.

No person is authorised to give any information or to make any representation concerning the issue of the Notes other than those contained in this Programme Memorandum, each Series Supplement and each Applicable Pricing Supplement. Nevertheless, if any such information is given or representation made, it must not be relied upon as having been authorised by the JSE, the Issuer, the Arranger, the Administrator, the Dealer, the Debt Sponsor, the other parties to the Series Transaction Documents or the Security SPV, or any of their respective affiliates or advisers. Neither the delivery of this Programme Memorandum and any Series Supplement nor any offer, sale, allotment or solicitation made in connection with the offering of the Notes of a Series shall, in any circumstances, create any implication or constitute a representation that there has been no change in the affairs of the Issuer since the date hereof or of the Series Supplement or that the information contained in this Programme Memorandum and any Series Supplement is correct at any time subsequent to the date of this Programme Memorandum or of the relevant Series Supplement, as the case may be. The JSE, the Arranger, the Administrator, the Dealer, the Debt Sponsor and other advisers have not separately verified the information contained in this Programme Memorandum. Accordingly, neither the JSE, the Arranger, the Administrator, the Dealer, the Debt Sponsor, the other parties to the Series Transaction Documents or the Security SPV nor any of their respective affiliates or advisers makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Programme Memorandum or any other information supplied in connection with the Programme or any Series. Each person receiving this Programme Memorandum acknowledges that such person has not relied on the JSE, the Arranger, the Administrator, the Dealer, the Debt Sponsor, the Security SPV or any other person affiliated with the JSE, the Arranger, the Administrator, the Dealer or the Debt Sponsor in connection with its investigation of the accuracy of such information or its investment decision.

Neither this Programme Memorandum nor any other information supplied in connection with the Notes of a Series is intended to provide the basis of any credit or other evaluation, or should be considered as a recommendation by the JSE, the Issuer, the Arranger, the Administrator, the Dealer or the Debt Sponsor that any recipient of this Programme Memorandum or any other information supplied in connection with the relevant Series should subscribe for or purchase any Notes of that Series. Each person contemplating making an investment in the Notes of a Series must make its own investigation and analysis of the financial condition and affairs, and its own appraisal of

*the credit worthiness, of the Issuer and the terms of the offering and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors which may be relevant to it in connection with such investment. The JSE, the Arranger, the Administrator, the Dealer or Debt Sponsor do not undertake to review the financial condition or affairs of the Issuer nor to advise any investor or potential investor in the Notes of any information coming to the attention of, the Arranger, the Administrator, the Dealer or the Debt Sponsor.*

*The Notes will be obligations solely of the Issuer. The Notes will not be obligations of, or the responsibility of, or guaranteed by, any person other than the Issuer. In particular, the Notes will not be obligations of, or the responsibility of, or guaranteed by the Arranger, the Administrator, the Dealer, the Debt Sponsor, or, save to the extent of the amount recovered from the Issuer in terms of a Series Indemnity and from the property realised from the relevant Series Security Agreements, the Security SPV. No liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes of a Series shall be accepted by the Arranger, the Administrator, the Dealer, the Debt Sponsor or the Security SPV.*

***This Programme Memorandum does not constitute an offer or an invitation by or on behalf of the Issuer, the Arranger, the Administrator, the Dealer, the Debt Sponsor or the Security SPV to any person to subscribe for or purchase any of the Notes.*** *The distribution of this Programme Memorandum and each Series Supplement and the offering of the Notes in certain jurisdictions may be restricted by law. No representation is made by the Issuer, the Arranger, the Administrator, the Dealer, the Debt Sponsor or the Security SPV that this Programme Memorandum and each Series Supplement may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any Applicable Laws or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder and none of them assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger, the Administrator, the Dealer, the Debt Sponsor or the Security SPV which would permit a public offering of the Notes or distribution of this Programme Memorandum and each Series Supplement in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Programme Memorandum, any Series Supplement, nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any Applicable Laws and regulations. Persons into whose possession this Programme Memorandum and any Series Supplement come are required by the Issuer, the Arranger, the Administrator, the Dealer and the Debt Sponsor to inform themselves about and to observe any such restrictions.*

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"). Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to any U.S. persons. In addition, there are restrictions on the distribution of this Programme Memorandum and each Series Supplement in South Africa and the United Kingdom. For a more complete description of certain restrictions on the offering, sale and delivery of Notes of any particular Series and distribution of this Programme Memorandum and each Series Supplement see the section of this Programme Memorandum entitled "Subscription and Sale" below.*

*The terms of this aster Programme Memorandum and each Series Supplement, if sent to persons resident in jurisdictions outside South Africa, may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves about and observe any*

*applicable legal requirements in any such jurisdiction. It is the responsibility of any such person wishing to subscribe for or purchase the Notes to satisfy itself as to the full observance of the laws of the relevant jurisdiction therewith. If and to the extent that this Programme Memorandum and each Series Supplement is illegal in any jurisdiction, it is not made in such jurisdiction and this document is sent to persons in such jurisdiction for information purposes only.*

*References in this Programme Memorandum to "Rand", "R" or "ZAR" are to the lawful currency for the time being of South Africa.*

*In connection with the issue and distribution of any Tranche of Notes of a particular Series, the Issuer may, in its discretion, to the extent permitted by Applicable Law, appoint a stabilising manager to over-allot or effect transactions with a view to supporting the market price of the Notes of that Series at a level higher than that which might otherwise prevail for a limited period. Such stabilising, if commenced, may be discontinued at any time and must be brought to an end after a limited period. Stabilisation is only permissible if it is conducted in accordance with the JSE Debt Listings Requirements and is subject to the approval of the JSE.*

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## TABLE OF CONTENTS

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	<i>Page</i>
DOCUMENTS INCORPORATED BY REFERENCE .....	9
GENERAL DESCRIPTION OF THE PROGRAMME.....	11
SUMMARY OF THE PROGRAMME .....	14
INVESTMENT CONSIDERATIONS .....	22
FORM OF THE NOTES .....	27
<i>PRO FORMA</i> SERIES SUPPLEMENT .....	29
<i>PRO FORMA</i> APPLICABLE PRICING SUPPLEMENT.....	32
TERMS AND CONDITIONS OF THE NOTES.....	38
USE OF PROCEEDS .....	92
SECURITY ARRANGEMENTS AND SEGREGATION.....	93
GENERAL DESCRIPTION OF THE ISSUER .....	95
THE ADMINISTRATOR AND THE ADMINISTRATION AGREEMENT .....	97
SETTLEMENT, CLEARING AND TRANSFERS .....	100
SOUTH AFRICAN TAXATION .....	103
EXCHANGE CONTROL.....	106
SUBSCRIPTION AND SALE .....	108
GENERAL INFORMATION .....	111
CORPORATE INFORMATION .....	113



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## DOCUMENTS INCORPORATED BY REFERENCE

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*Words used in this section entitled "Documents Incorporated by Reference" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the Series Supplement or the context otherwise requires.*

In respect of the Programme and each Series, the documents listed below in respect of that Series are deemed to be incorporated in, and to form part of, this Programme Memorandum and, in respect of that Series, are available for inspection by Noteholders of that Series, during normal office hours after the date of this Programme Memorandum, at the Specified Office of the Issuer -

- (i) the audited annual financial statements of the Issuer for the two financial years ended on 31 December 2013 and 2014, together with such statements, reports and notes attached to or intended to be read with such financial statements in respect of all financial years of the Issuer after the date of this Programme Memorandum, as and when such are approved and become available;
- (ii) each Series Supplement;
- (iii) each Applicable Pricing Supplement;
- (iv) any other supplement to this Programme Memorandum and each Series Supplement circulated by the Issuer from time to time in accordance with the Dealer Agreement;
- (v) the other Series Transaction Documents in respect of each Series; and
- (vi) all information pertaining to the Issuer which is relevant to the Notes of a particular Series, and which is electronically disseminated on the Stock Exchange News Service of the JSE ("**SENS**") to SENS subscribers.

This Programme Memorandum, each Series Supplement and the documents listed in paragraph (iv) above are available for inspection by the general public, during normal office hours, at the Specified Office of the Issuer. The documents listed in paragraph (i), (ii), (iii) and (iv) above will, as and when such documents become available, be available for inspection at the Specified Office of the Issuer. This Programme Memorandum and the documents listed in paragraphs (i), (ii), (iii) and (iv) above, when they become available, will also be available for inspection on the Administrator's website, [www.cib.absa.co.za](http://www.cib.absa.co.za). This Programme Memorandum is and, when they become available, the documents listed in paragraphs (ii), (iii) and (iv) above will also be available for inspection by the general public on the JSE's website, [www.jse.co.za](http://www.jse.co.za).

Any statement contained in this Programme Memorandum or in any document which is incorporated by reference into this Programme Memorandum will be deemed to be modified or superseded for the purposes of this Programme Memorandum to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference in this Programme Memorandum modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

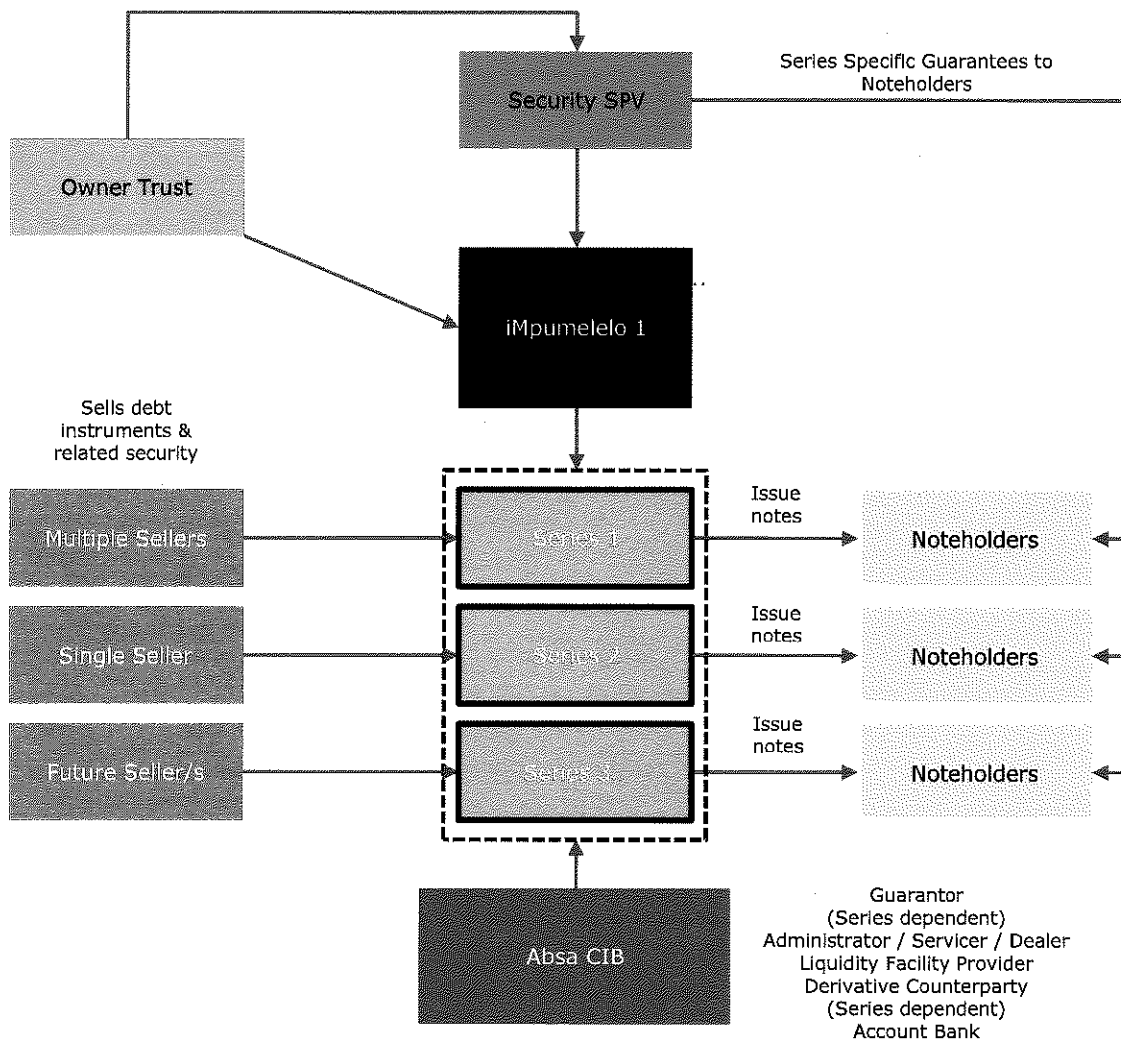
The Issuer will publish a new Programme Memorandum or Series Supplement, as the case may be, or a further supplement to this Programme Memorandum or a Series Supplement, as the case may be, on the occasion of any subsequent issue of Notes in a Series where there has been -

- (a) a material change in the condition (financial or otherwise) in respect of the Issuer which is not then reflected in this Programme Memorandum or Series Supplement, as the case may be, or any supplement to this Programme Memorandum or Series Supplement, as the case may be; or
- (b) any modification of the terms of the Programme which would make this Programme Memorandum or any Series Supplement, as the case may be, inaccurate or misleading.

**GENERAL DESCRIPTION OF THE PROGRAMME**

A general description of the Programme is set out below. The general description does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to any particular Series, the Series Supplement and, in relation to any particular Tranche of Notes, the Applicable Pricing Supplement. Words used in this section entitled "General Description of the Programme" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the Series Supplement or the context otherwise requires.

**STRUCTURE DIAGRAM**



### **A brief overview of the Programme:**

The Programme Memorandum provides the framework and certain common terms and provisions for the issue of Notes by the Issuer in relation to each Series.

Each Series Supplement will set out relevant information in relation to a particular Series.

The structural features and provisions of the Series Transaction Documents of a specific Series may not incorporate all of the features described in this Programme Memorandum.

In relation to each Series established by the Issuer –

- 1 the Issuer is a separate, special purpose entity formed to acquire and/or invest in Acquired Assets (as described in each Series Supplement) from such entity defined as the Seller in the Series Supplement;
- 2 the Issuer will obtain separate approvals (if applicable) from all relevant regulatory authorities to issue Notes pursuant to a Series;
- 3 the Issuer will issue Notes for the purpose set out in the Series Supplement relating to that Series (including to finance the acquisition of assets);
- 4 the Security SPV will be incorporated for the purpose of holding and realising security for the benefit of Secured Creditors, including Noteholders, in respect of each Series A separate Security SPV will not be incorporated for each separate Series;
- 5 the Security SPV will furnish a limited recourse Series Guarantee to the Noteholders and other Secured Creditors of that Series. The Issuer will indemnify the applicable Security SPV in respect of claims made by the applicable Noteholders and other Secured Creditors of that Series under the Series Guarantee pursuant to the Series Indemnity executed by the Issuer. As security for its obligations under such Series Indemnity, the Issuer will cede and pledge the Series Assets to the Security SPV;
- 6 the recourse of each Secured Creditor (including the Noteholders) of that Series will be limited to the amount recovered by the Security SPV pursuant to the exercise by it of its rights under the Series Indemnity and, in particular, no Secured Creditor (including any Noteholder) will have recourse to the Issuer or the Security SPV in relation to any asset of the Issuer not forming part of the Series Assets of the Series in question;
- 7 the ordinary shares of the Security SPV will be owned by the Security SPV Owner Trust;
- 8 the Issuer will enter into an Administration Agreement, Dealer Agreement and Agency Agreement with Absa in relation to each Series, each of which will set out provisions applicable to each such agreement and in relation to that Series;
- 9 the Issuer will enter into separate Series Security Agreements in relation to each Series;

- 10 to the extent necessary, the Issuer will enter into Derivative Contracts to hedge any interest rate exposure it may have in relation to the assets of that Series and its liabilities under the Notes of that Series;
- 11 The Issuer may, in respect of a Series, enter into a Liquidity Facility with a Liquidity Facility Provider, the provisions of which will be set out in the Liquidity Facility Agreement to be entered into between the Issuer in respect of the relevant Series. The Liquidity Facility will provide the Issuer with alternative funding to be utilised for the purposes provided in each such Liquidity Facility Agreement. Further information in respect of the Liquidity Facility, provided in respect of each Series, if any, will be set out in the Series Supplement.
- 12 If specified in a Series Supplement, Absa will provide a guarantee in favour of the Security SPV in terms of which it will guarantee the obligations of the Issuer to such Noteholders and other Secured Creditors and/or the Noteholders and other Secured Creditors of that Series Indemnity.

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## SUMMARY OF THE PROGRAMME

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*The information set out below is a brief summary of certain aspects of the Programme. The summary does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and, in relation to any particular Series, the Series Supplement, and in relation to any particular Tranche of Notes of that Series, the Applicable Pricing Supplement. The other Series Transaction Documents (as defined in the section entitled "Terms and Conditions of the Notes"), as amended, novated and/or substituted from time to time in accordance with their terms, shall be deemed to be incorporated in, and to form part of, this Programme Memorandum. Such documents are available for inspection by Noteholders as provided for in the section entitled "General Information". Words used in this section entitled "Summary of the Programme" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes" and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the Series Supplement or the context otherwise requires.*

### *Parties*

#### **Issuer**

iMpumelelo CP Note Programme 1 (RF) Limited (registration number 2013/211998/06), a public company with limited liability, duly registered and incorporated in accordance with the laws of the RSA. See further section entitled "*Description of the Issuer*".

#### **Arranger**

Absa Bank Limited, acting through its Corporate and Investment Banking division ("**Absa**").

#### **Dealers**

In respect of each Series, Absa and any other additional Dealer appointed under that Series from time to time pursuant to the Dealer Agreement for that Series, which appointment may be for a specific issue or on an ongoing basis, subject to the Issuer's right to terminate the appointment of any Dealer.

#### **Administrator**

In respect of each Series, Absa or any replacement administrator appointed under the Administration Agreement for that Series as described in the section entitled "*The Administrator and the Administration Agreement*" below to advise the Issuer in relation to the management of the Programme and that Series and, as the Issuer's agent, to exercise the Issuer's rights, powers and duties under the relevant Series Transaction Documents, including administering the Priority of Payments in respect of that Series.

#### **Transfer Agent, Calculation Agent and Paying Agent**

In respect of each Series, Absa or any other entity with suitable standing nominated by Absa, unless the Issuer elects to appoint, in relation to a particular Tranche of Notes, another entity as Transfer Agent, Calculation Agent or Paying Agent (as the case may be), in which event that other

entity, shall act in such capacity in respect of that Tranche of Notes.

<b>Seller(s)</b>	In respect of each Series, such entity defined as the Seller(s) in the Series Supplement and who will sell assets to the Issuer.
<b>Guarantor</b>	In respect of a Series, Absa if stated in a Series Supplement.
<b>Liquidity Facility Provider</b>	In respect of a Series (and to the extent required), such entity(ies) with the Required Credit Rating, which will be appointed in terms of the Liquidity Facility Agreement(s) as specified in the Series Supplement.
<b>Derivative Counterparty</b>	In respect of each Series, Absa or such other entity(ies) with the Required Credit Rating with whom the Issuer may enter into one or more Derivative Contracts in relation to that Series.
<b>Account Bank</b>	In respect of each Series, Absa or such other bank with the Required Credit Rating which will be appointed in terms of the Account Bank Agreement and at which the Series Transaction Account will be held.
<b>Safe Custody Agent</b>	In respect of each Series, such person specified in the Series Supplement, which will be appointed in terms of the Safe Custody Agreement.
<b>Issuer Owner Trust</b>	iMpumelelo Owner Trust, which will be the holder of all the issued shares in the share capital of the Issuer. The current trustee of the Issuer Owner Trust is TMF Corporate Services (South Africa) Proprietary Limited (previously known as GMG Trust Company (SA) Proprietary Limited).
<b>Security SPV</b>	In respect of each Series, Bowwood and Main No. 103 Proprietary Limited (to be renamed iMpumelelo Security SPV 1 (RF) Proprietary Limited) (registration number 2013/227248/07), a private company with limited liability, duly registered and incorporated in accordance with the laws of the RSA, to hold and realise security for the benefit of Secured Creditors of each Series. See further section entitled " <i>Description of Security Arrangements</i> ".
<b>Security SPV Owner Trust</b>	iMpumelelo Security SPV Owner Trust, which will be the holder of all the issued shares in the share capital of the Security SPV. The current trustee of the Security SPV Owner Trust is TMF Corporate Services (South Africa) Proprietary Limited (previously known as GMG Trust Company (SA) Proprietary Limited).

<b>Rating Agency</b>	In respect of each Series, Fitch and/or Moody's and/or S&P and/or GCR and/or such other Rating Agency as may be appointed by the Issuer from time to time in relation to a Series and as specified in the Series Supplement.
<b>Preference Shareholder</b>	The holder of the Preference Share(s) which at the date of this Programme Memorandum, is Absa.
<b>GIC Provider</b>	In respect of each Series, Absa in its capacity as provider of the guaranteed rate of return under the Guaranteed Investment Contract, or such other person as may be appointed as GIC Provider for that Series under the terms of the Guaranteed Investment Contract.
<b>Auditors</b>	PriceWaterhouseCoopers, or such other auditors (or firm of auditors) as may be appointed by the Issuer from time to time.
<b>Noteholder(s)</b>	In respect of each Series, the holders of the Notes issued under that Series (as recorded in the Register).
<b>Secured Creditors</b>	In respect of each Series, each of the creditors of the Issuer (including the Noteholders) in relation to that Series set out in the Priority of Payments that is a party to the Series Transaction Documents in respect of that Series.
<i>Issuer Programme Description</i>	
<b>Description of the Programme</b>	The secured serialised note programme established by the Issuer pursuant to this Programme Memorandum.
<b>Size of the Programme</b>	The Programme will not have a specific limit. The aggregate Outstanding Principal Amount of Notes that the Issuer may issue under each Series will be specified in the relevant Series Supplement and each Applicable Pricing Supplement. The Issuer may increase the Series Limit in accordance with the terms and conditions of the Dealer Agreement and subject to any required regulatory approvals.
<b>Rating of Notes</b>	<p>The Programme may be rated by the Rating Agency. It is expected that certain Tranches of Notes issued under each Series will be rated by a Rating Agency on a national or global scale basis, as the case may be. The Rating and the Rating Agency will be specified in the Series Supplement and/or each Applicable Pricing Supplement.</p> <p>Unrated Tranches of Notes may also be issued and Tranches of Notes may be issued that are assigned a Rating by a different Rating Agency to the Rating</p>



Agency that assigned a Rating to any Tranche of Notes in issue. A Rating is not a recommendation to subscribe for, buy, sell or hold Notes and may be subject to revision, suspension or withdrawal at any time by the Rating Agency.

## Notes

Limited recourse, secured, registered Notes issued by the Issuer under each Series referencing a particular series of assets and liabilities of the Issuer. The description of, and terms and conditions applicable to Notes, other than those specifically described in this Programme Memorandum, will be set out in the relevant Series Supplement and/or the Applicable Pricing Supplement. Notes may comprise any bonds, notes, debentures, commercial paper, bills, promissory notes or other debt instruments as may be described in a Series Supplement and which are issued or to be issued by the Issuer in accordance with the Dealer Agreement and the Agency Agreement.

Payments (whether in respect of interest or principal) on Notes may be determined by reference to such fixed or floating rates or such indices or formulas as may be specified in the Series Supplement and/or the Applicable Pricing Supplement. Notes may be -

- (i) interest-bearing or non-interest bearing;
- (ii) issued at a premium or a discount;
- (iii) issued in fully paid up or partly paid form;
- (iv) exchangeable for other assets;
- (v) variable funding notes;
- (vi) contain provisions for the election by the Issuer or a Noteholder for the early or deferred payment of principal and/or interest or for the basis upon which amounts payable upon the Notes is paid to be altered; or
- (vii) issued with such other characteristics as may be specified.

Terms applicable to Notes other than those specifically contemplated under this Programme Memorandum will be set out in the relevant Series Supplement or the Applicable Pricing Supplement, as the case may be.

- Form of Notes** Notes may be issued in the form of Certificated Notes or Uncertificated Notes as described in the section entitled "*Form of the Notes*".
- Currencies** Rand, the lawful currency of South Africa or any other currency approved by the South African Reserve Bank and specified in the Series Supplement and/or Applicable Pricing Supplement.
- Terms and Conditions** Each Tranche of Notes issued in relation to a Series is subject to the Terms and Conditions (see the section of this Programme Memorandum entitled "*Terms and Conditions of the Notes*"), provided that the Series Supplement and/or the Applicable Pricing Supplement, as the case may be, relating to that Tranche of Notes may specify other terms and conditions (which may replace, modify or supplement the Terms and Conditions).
- Issue Price** Each Note in a Tranche may be issued on a fully-paid or a partly-paid basis and at an issue price which is at its Principal Amount or at a discount to, or premium over, its Principal Amount as indicated in the Applicable Pricing Supplement.
- Denomination of Notes** Notes will be issued with a minimum denomination of not less than ZAR1 000 000.
- Maturities** Such maturity as may be agreed and indicated in the Series Supplement and/or Applicable Pricing Supplement, (subject to a maturity as may be required by the JSE and/or any such exchange or exchanges on which the Notes may be listed or in terms of any law).
- Status of Notes** The claims of each Class of Noteholders in respect of each Series (whether in respect of principal, interest or otherwise) are subordinated to each other and to certain other Secured Creditors of that Series in accordance with the Priority of Payments. The Notes of each Class rank *pari passu* among themselves. The interests of Noteholders in respect of each Series is secured by the assets of the Issuer segregated in respect of that Series.
- Priority of Payments** The Priority of Payments is a sequence in which the Issuer or the Security SPV, as the case may be, will make payments to creditors of the Issuer (including Noteholders and other Secured Creditors) in relation to each Series. The Issuer and the Security SPV in relation to each Series shall contract with each Secured Creditor (including Noteholders) of that Series on the basis that payments due to it in terms of a Series Transaction Document shall be made, to the extent permitted by and in accordance with, the

Priority of Payments, so that a Secured Creditor that ranks subsequent to any other creditor in the Priority of Payments of that Series will not be paid unless and until all other creditors which rank prior to it in the Priority of Payments of that Series have been paid in full, all amounts then due and payable to them by the Issuer or that Security SPV, as the case may be or all amounts accrued up to that date have been provided for.

The Pre-Enforcement Priority of Payments in relation to a Series applies prior to delivery of an Enforcement Notice. The Post-Enforcement Priority of Payments in relation to a Series applies after delivery of an Enforcement Notice. The Pre-Enforcement Priority of Payments and the Post-Enforcement Priority of Payments are set out in the section entitled "*Priority of Payments*" in each Series Supplement.

#### **Limited Enforcement**

The power of Secured Creditors to take action in respect of their claims is limited in the manner set out in Condition 12.

#### **Guarantee by Absa**

If stated in any Series Supplement, Absa will provide a guarantee to the Noteholders and other Secured Creditors of that Series pursuant to which Absa will guarantee and indemnify the Noteholders and other Secured Creditors of that Series for the obligations of the Issuer in relation to that Series and indemnify the Issuer against any Liquidity Shortfalls.

#### **Liquidity Facilities and Revolving Facilities**

The Issuer may enter into one or more types of a Liquidity Facility with a Liquidity Facility Provider, the provisions of which will be set out in the applicable Liquidity Facility Agreement, to be entered into by the Issuer in respect of a Series. Each Liquidity Facility will provide the Issuer with alternative funding to be utilised for the purposes provided in each such Liquidity Facility Agreement. Further information in respect of the Liquidity Facility, provided in respect of a Series, if any, will be set out in the Series Supplement.

#### **Security**

The Notes of each Series are limited recourse obligations of the Issuer only. The Issuer's obligations under the Notes are not directly secured by any of the assets of the Issuer, but the payment obligations of the Issuer in terms of the Notes are guaranteed by the Security SPV in terms of the Series Guarantee. In terms of the Series Indemnity, the Issuer indemnifies the relevant Security SPV in respect of claims made under the Series Guarantee. The liability of the Security SPV pursuant to the Series Guarantee is limited in the aggregate to the

amount recovered by the Security SPV from the Issuer pursuant to the Series Indemnity and from the property realised pursuant to the other Series Security Agreements. Under the Series Security Cession, the Issuer cedes and pledges the assets segregated in relation to that Series to the Security SPV as security for the Issuer's obligations under the Series Indemnity (see the section of this Programme Memorandum entitled "*Security Arrangements*").

**Assets of the Issuer**

In respect of each Series, the type of assets that the Issuer may acquire and/or invest in is specified in the Series Supplement.

**Governing Law**

The Notes and the other Series Transaction Documents will be governed by, and construed in accordance with the laws of South Africa.

**Distribution**

Notes may be offered by way of private placement, public auction or any other means permitted by law as determined by the Issuer and reflected in the Applicable Pricing Supplement.

**Register**

The Register maintained by the Transfer Agent in terms of the Terms and Conditions.

**Books Closed Period**

The Register will, in respect of each Tranche of Notes, be closed prior to each Interest Payment Date and Redemption Date, for the period specified in the Applicable Pricing Supplement, in order to determine those Noteholders entitled to receive payments.

**Securities Transfer Tax**

In terms of current South African legislation as at the date of this Programme Memorandum, no securities transfer tax is payable by the Issuer on the original issue of, or on the registration of transfer of the Notes, on the basis that the Notes will not comprise a "security" as defined in section 1 of the Securities Transfer Tax Act, 2007, as amended. Any future securities transfer tax that may be introduced will be for the account of Noteholders.

**Withholding Tax**

Payments of interest and principal will be made without withholding or deduction for Taxes unless such withholding or deduction is required by law. In the event that such withholding or deduction is required by law, the Issuer will not be obliged to pay additional amounts in relation thereto. With effect from 1 March 2015, withholding tax on interest in respect of certain debt instruments may be applicable to certain persons who are regarded as non-resident for tax purposes in South Africa. Certain exceptions may or may not be applicable in this regard.

**Tax Status**

A summary of applicable current South African Tax legislation appears in the section of this Programme Memorandum entitled "*South African Taxation*". The section does not constitute tax advice and investors should consult their own professional advisers.

**Selling Restrictions**

The distribution of this Programme Memorandum and each Series Supplement and the placing of a particular Tranche of Notes may be restricted by law in certain jurisdictions, and are restricted by law in the United States of America, the United Kingdom and South Africa. Any relevant selling restriction and other restrictions as may be required to be met in relation to an offering or sale of a particular Tranche of Notes shall be included in the Applicable Pricing Supplement. Persons who come into possession of this Programme Memorandum, any Series Supplement or any Applicable Pricing Supplement must inform themselves about and observe such restrictions.

**Blocked Rand**

Blocked Rand may be used for the purchase of Notes, subject to South African Exchange Control Regulations, 1961, promulgated under the Currency and Exchanges Act, 1933.

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## **INVESTMENT CONSIDERATIONS**

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*Words used in this section entitled "Investment Considerations" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the context otherwise requires.*

*Prospective investors should carefully consider the following investment considerations, in addition to the matters described, elsewhere in this Programme Memorandum and in the Series Supplement, prior to investing in the Notes. The matters set out in this section are not necessarily exhaustive and prospective investors must form their own judgment in regard to the suitability of the investment they are making.*

### **Ratings of the Notes**

Certain Tranches of Notes issued under a Series may be rated by an accredited rating agency on a national scale and/or global scale basis. Unrated Tranches of Notes may also be issued and Tranches of Notes may be issued that are assigned a Rating by a different Rating Agency to the Rating Agency that assigned a Rating to any Tranche of Notes in issue. The Rating of any Tranche of Notes is not a recommendation to purchase, hold or sell Notes, inasmuch as such Rating does not comment on the market price or suitability of the Notes for a particular investor. The ratings of the Notes address the expected loss posed to investors by the legal final maturity of the Notes. Ratings typically address only the credit risks associated with the transaction. Other non-credit risks are typically not addressed but may have a significant effect on the yield to investors. There can be no assurance that any rating agency not requested to rate the Notes will issue a rating and, if so, what such rating would be. A rating assigned to the Notes by a rating agency that has not been requested by the Issuer to do so, may be lower than the equivalent ratings assigned by the Rating Agency, or such rating agency may assign a global scale foreign currency rating which could be lower than national scale and/or global scale local currency ratings assigned by the Rating Agency. In addition, there can be no assurance that a rating will remain for any given period of time or that the rating will not be lowered, withdrawn or suspended entirely by the Rating Agency if in its judgment circumstances in the future so warrant. Each rating is given on a national scale and/or global scale basis. There can be no assurance of any connection between the national scale rating, global scale local currency rating and any global scale foreign currency rating.

### **Warranties**

Neither the Issuer nor the Security SPV has undertaken or will undertake any investigations, searches or other actions in respect of the Acquired Assets in relation to each Series, and each will rely instead on the warranties given by each of the Sellers in the relevant Acquisition Agreements. There can be no assurance that the Sellers will have the financial resources to honour their obligations under such warranties. Such obligations are not guaranteed by, nor will they be the responsibility of, any person other than the Sellers concerned and neither the Issuer nor the Security SPV shall have any contractual recourse to any other person other than under the Absa Guarantee, in the event that any of the Sellers for whatever reason fails to meet such obligations.

## **Non-recourse obligations**

The Notes in respect of each Series will be obligations solely of the Issuer. In particular, without limitation, the Notes will not be obligations of, and will not be guaranteed by the Arranger, the Dealer, the Debt Sponsor, the Calculation Agent, the Transfer Agent, the Account Bank, the Derivative Counterparty, the Administrator, the Seller(s), the Liquidity Facility Provider, the GIC Provider, the Preference Shareholder or, save to the extent of the net amount recovered from the Issuer pursuant to the Series Indemnity and from the property realised pursuant to the other Series Security Agreements, the Security SPV. The Issuer will rely solely on the Series Assets, and the receipt of amounts on or in respect of such Series Assets, including primarily the receipt of payments in respect of amounts due under or in connection with the Acquired Assets invested in and/or purchased by it, the Cash available in the Series Transaction Account and from Permitted Investments, and, if applicable, the proceeds of the issue of Notes to enable it to make payments in respect of the Notes.

Following a claim under the Series Guarantee, the Security SPV will have recourse against the Issuer under the Series Indemnity, such recourse being limited to the Series Assets of the Issuer, which Series Assets have, in terms of the Series Security Cessions, been secured by the cession *in securitatem debiti* in favour of the Security SPV. The Series Assets comprise, among other things, the Acquired Assets, collateral security in respect of the Acquired Assets (if any), Permitted Investments, the Series Transaction Account, Account Monies and Business Proceeds.

If an Event of Default occurs in relation to the Notes of a Series, the Noteholders will have recourse to Absa under the Absa Guarantee, if Absa has furnished the Absa Guarantee with respect to that Series.

## **Change in legislation**

The Series Assets, the Issuer, the Security SPV and other parties to the Series Transaction Documents are subject to legislation which may change at any time, such as the Income Tax Act, the Companies Act, the National Credit Act, 2005, the Consumer Protection Act, 2008 and the Financial Markets Act, 2012. Similarly, new legislation may be introduced to which the Issuer, the Security SPV and other parties to the Series Transaction Documents may become subject and in respect of which there is little or no interpretive guidance. No prediction can be made as to whether existing legislation will change and, if it does, what the effect of such changes will be on the Series Assets, the Issuer and/or any other party to the Series Transaction Documents and/or the relevant Series as a whole and similarly no prediction can be made as to whether new legislation may be introduced and the effects of such new legislation.

## **Priority of Payments**

Each Series Supplement will prescribe a "*Pre-Enforcement Priority of Payments*" in which the Secured Creditors in respect of that Series will be paid prior to the delivery of an Enforcement Notice and a "*Post-Enforcement Priority of Payments*" applicable after the delivery of an Enforcement Notice.

The claims of all Secured Creditors in respect of that Series are subordinated, in accordance with the Priority of Payments, and, accordingly, the Secured Creditors of that Series will be entitled, notwithstanding the amount of any payments owing to them under the Series Transaction Documents, to receive payment from the Issuer or the

Security SPV, as the case may be, only to the extent permitted by and in accordance with the Priority of Payments of such Series.

The subordinations envisaged by the Priority of Payments, the Terms and Conditions and the other Series Transaction Documents are contractual in nature, and their enforcement against the parties to the Series Transaction Documents and against third parties is limited accordingly. In particular, creditors of the Issuer who are not parties to the Series Transaction Documents may not be bound by the Priority of Payments and may, accordingly, be entitled under Applicable Law to assert a payment priority inconsistent with the ranking otherwise accorded to them in the Priority of Payments.

As described below in the paragraph "*Liquidation of the Issuer*", the Issuer is structured as an insolvency remote, ring-fenced special purpose entity which limits the risk of external creditors who are not bound by the Priority of Payments of each Series.

### **Counterparty risk**

There is a risk that counterparties to agreements with the Issuer, such as Derivative Counterparties, the Account Bank and the Liquidity Facility Provider(s) may not perform their obligations under those agreements and this may affect the ability of the Issuer to pay interest and/or principal on the Notes. In terms of the Series Transaction Documents, this risk is mitigated by requiring certain parties to hold a Required Credit Rating.

### **Guarantee and Indemnity structure**

In relation to each Series, the Security SPV will execute a Series Guarantee in favour of Secured Creditors of that Series and enter into the Series Indemnity with the Issuer. The Issuer has received a legal opinion stating that the entering into of the Series Guarantee and the Series Indemnity will enable the security structure in favour of the Secured Creditors of that Series to be enforced by the Security SPV in the manner set out in this Programme Memorandum. There is no guarantee that a court would reach the same conclusion as that in the legal opinion obtained by the Issuer.

If the Series Guarantee and/or the Series Indemnity structure is not enforceable, then Secured Creditors of that Series shall be entitled to take action themselves to enforce claims directly against the Issuer should an Event of Default occur but, in such circumstances, the security held by the Security SPV will no longer be effective as a means of achieving distribution of the Issuer's assets in accordance with the Priority of Payments of that Series.

The Security SPV has not taken or obtained any independent legal or other advice or opinions in relation to the Issuer or any other persons or the Series Transaction Documents (including the Series Security Agreements), or in relation to the transactions contemplated by such agreements.

### **Security SPV**

The interests of the Secured Creditors of each Series will be represented by the Security SPV. In terms of the Series Transaction Documents and the Terms and Conditions, the Security SPV is required to enforce the Security in relation to that Series on behalf of the Secured Creditors of that Series in certain circumstances. Secured Creditors will not be able to enforce the Security themselves nor to take action against the Issuer to enforce claims against the Issuer except through the Security SPV unless the guarantee and indemnity structure is not enforceable or the Security SPV is wound-up, liquidated or



placed under supervision by a business rescue practitioner or fails to act within 60 (sixty) Business Days of being called upon to do so.

### **Insolvency of the Security SPV**

It is possible for the Security SPV itself to be wound-up, liquidated or placed under supervision by a business rescue practitioner which could adversely affect the rights of the Secured Creditors of a Series. The liabilities of the Security SPV under the relevant Series Guarantee granted in favour of the Secured Creditors cannot in the aggregate exceed the net amount recovered by the Security SPV pursuant to the Series Indemnity.

Accordingly, it is improbable that the Security SPV itself will be insolvent (and therefore be wound-up, liquidated or placed under supervision by a business rescue practitioner) unless there were to be, for example, dishonesty or fraudulent conduct or breach of contract on the part of the Security SPV, for instance by its directors or officers entering into unauthorised transactions on behalf of the Security SPV.

If the Security SPV fails to enforce its claim against the Issuer pursuant to the Series Indemnity within 60 (sixty) Business Days of being called upon by any Secured Creditor (other than a Noteholder) or by Extraordinary Resolution of the Controlling Class of Noteholders of a Series to do so, or is wound-up, liquidated, de-registered or placed under supervision by a business rescue practitioner, Secured Creditors of that Series shall be entitled to take action themselves to enforce claims directly against the Issuer should an Event of Default occur but, in such circumstances, the Security in relation to that Series held by the Security SPV will be by-passed and thus no longer be effective as a means of achieving distribution of the Issuer's assets in accordance with the Priority of Payments of that Series.

The Security SPV is structured as an insolvency remote, ring-fenced special purpose entity.

### **Liquidation of the Issuer**

The Issuer has been structured as an insolvency remote, ring-fenced special purpose entity, a structure which limits the risk that there may be third parties who are not bound by the Series Transaction Documents who may apply for the liquidation of the Issuer. Third party creditors of the Issuer that are not contractually bound by the Priority of Payments rank high in the Priority of Payments, including the tax authorities and administrative creditors such as the Rating Agency and the JSE. Secured Creditors contract with the Issuer on the basis that their claims against the Issuer will be subordinated in accordance with the Priority of Payments, they will not bring an application for the liquidation of the Issuer until 1 year after the payment of all amounts outstanding and owing by the Issuer under the Notes of all Series and the other Series Transaction Documents and agree not to sue the Issuer except through the Security SPV. The proceeds in the hands of the Security SPV will be distributed in accordance with the Priority of Payments. Section 131 of the Companies Act, which entitles an affected person to apply to court to place a company that is financially distressed under supervision and commence business rescue proceedings, is an unalterable provision of the Companies Act. In terms of section 6 of the Companies Act, which is an anti-avoidance section, a court may on application by the Commission or certain other parties, declare any agreement void to the extent that it defeats or reduces the effect of a prohibition or requirement established by or in terms of an unalterable provision of the Companies Act.

If, notwithstanding the ring-fenced structure, there is an external creditor not bound by the Priority of Payments, on the liquidation of the Issuer such external creditor would rank *pari passu* with or ahead of the relevant Security SPV, depending on the statutory preference of claims in terms of the Insolvency Act, 1936, in regard to the assets of the Issuer other than assets of the Issuer properly secured in favour of the relevant Security SPV pursuant to the Series Security Agreements in relation to each Series.

### **Limited liquidity of the Notes and restrictions on transfer**

A secondary market exists for the Notes, but such secondary market is currently not very active and not fully developed. There can be no assurance that any secondary market for any of the Notes will develop, or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a subscriber must be prepared to hold such Notes until the Final Redemption Date. Noteholders that trade in the Notes during the period that the Register is closed, will need to reconcile any amounts payable on the following Interest Payment Date pursuant to any partial redemption of the Notes. As a result, secondary market liquidity of the Notes may reduce during this period.

### **Downgrade risk in respect of the Required Credit Rating**

If a party to a Series Transaction Document is required to hold a Required Credit Rating and ceases to hold such Required Credit Rating, then such party's obligations may be guaranteed by another party which has the Required Credit Rating or a replacement party with the Required Credit Rating will be appointed, if such other party is available and willing to act. No assurance can be given that a guarantor or replacement party with the Required Credit Rating will be appointed. In certain circumstances, cash collateral may be taken to protect the Issuer's interest in the relevant Series Transaction Document.

### **No support from the Administrator**

The Administrator, in its capacity as such, is not under any obligation to fund payments owed in respect of the Notes of any Series, absorb losses incurred in respect of the relevant Series Assets or risk transferred to the Issuer or otherwise to recompense investors for losses incurred in respect of the Programme on any Series.

### **Suitability of investment**

This Programme Memorandum and each Series Supplement identifies some of the information that a prospective investor should consider prior to making an investment in the Notes. This Programme Memorandum and each Series Supplement do not, however, purport to provide all of the information or the comprehensive analysis necessary to evaluate the economic and other consequences of investing in the Notes. A prospective investor should, therefore, conduct its own thorough analysis, including its own accounting, legal and tax analysis, prior to deciding to invest in the Notes. A prospective investor should make an investment in the Notes only after it has determined that such investment is suitable for its financial investment objectives. This Programme Memorandum and each Series Supplement are not, and do not purport to be, investment advice and each investor must obtain its own advice before making an investment in the Notes.

## **FORM OF THE NOTES**

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*This section should be read in conjunction with, and is qualified in its entirety by, the detailed information contained elsewhere in this Programme Memorandum. Words used in this section entitled "Form of the Notes" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes" and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the relevant Series Supplement or the context otherwise requires.*

### **Interest Rate Market**

Subject to the registration of the Programme with the JSE, each Tranche of Notes in respect of a Series may be listed on the Interest Rate Market of the JSE. Notes may also be listed on such other or further exchange(s) as may be determined by the Issuer and the Dealer(s) and subject to any Applicable Laws. Unlisted Notes may also be issued under the Programme. In the event that any Tranche of Notes is not listed on the Interest Rate Market of the JSE, the relevant Series Supplement in respect of that Series will set out such additional terms and conditions which will apply to such unlisted Notes. Each Tranche of Notes listed on the Interest Rate Market of the JSE will be issued in accordance with the Terms and Conditions.

The Notes will be issued in the form of registered Notes in accordance with the Terms and Conditions and represented by (i) Individual Certificates, or (ii) no Certificate, if issued in uncertificated form in terms of section 33 of the Financial Markets Act. Only Notes issued in uncertificated form may be listed on the Interest Rate Market of the JSE.

### **Uncertificated Notes**

Notes issued in uncertificated form will not be represented by any certificate or written instrument. All transactions in uncertificated securities as contemplated in the Financial Markets Act will be cleared and settled in accordance with the Applicable Procedures. All the provisions relating to Beneficial Interests in the Notes held in the Central Securities Depository will apply to Notes issued in uncertificated form.

The Central Securities Depository will hold the Notes issued in uncertificated form, subject to the Financial Markets Act and the Applicable Procedures. Notes issued in uncertificated form, will be registered in the name of the Central Securities Depository, and the Central Securities Depository will be named in the Register as the sole Noteholder of such Notes.

Except where the contrary is provided in the Terms and Conditions, all amounts to be paid in respect of the Notes issued in uncertificated form, will be paid to the Central Securities Depository's Nominee for the holders of Beneficial Interests in such Notes.

The Central Securities Depository maintains central securities accounts only for Participants. As at the date of this Programme Memorandum, the Participants are, amongst others, Société Générale, Johannesburg branch, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited, the South African Reserve Bank, Citibank N.A., South Africa branch and Standard Chartered Bank, Johannesburg branch.

The Participants are in turn required to maintain securities accounts for their clients. The clients of Participants may include the holders of Beneficial Interests in the Notes or their

custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the Central Securities Depository only through their Participants.

In relation to each person shown in the records of the Central Securities Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Principal Amount of Notes, a certificate or other document issued by the Central Securities Depository or the relevant Participant, as the case may be, as to the Principal Amount of such Notes standing to the account of such person, shall be *prima facie* proof of such Beneficial Interest.

Transfers of Beneficial Interests in the Central Securities Depository to and from clients of the Participants occur by electronic book entry in the central securities accounts of the clients of the Participants. Transfers among Participants of Notes held in the Central Securities Depository system occur through electronic book entry in the Participants' central security accounts with the Central Securities Depository. Beneficial Interests may be transferred only in accordance with the Terms and Conditions and the rules and operating procedures for the time being of the Central Securities Depository, Participants and the JSE.

Beneficial Interests in the Notes may be exchanged, without charge by the Issuer, for Notes in definitive registered form only in accordance with Condition 14 of the Terms and Conditions. Such Individual Certificates will not be issuable in bearer form. The Notes represented by Individual Certificates will be registered in the name of the individual Noteholders in the Register of Noteholders maintained by the Transfer Agent appointed by the Issuer in relation to that Series. The Issuer shall regard the Register as the conclusive record of title to the Notes. The Central Securities Depository shall be recognised by the Issuer as the owner of the Notes issued in uncertificated form and registered holders of Individual Certificates shall be recognised by the Issuer as the owners of the Notes represented by such Individual Certificates.

The Issuer shall regard the Register as the conclusive record of title to the Notes.

### **Individual Certificates**

The Notes represented by Individual Certificates will be registered in the name of the individual Noteholders in the Register. Payments of interest and principal in respect of Notes represented by Individual Certificates will be made in accordance with Condition 8 to the person reflected as the registered holder of such Individual Certificates in the Register at 17h00 (Johannesburg time) on the Last Day to Register, and the Issuer will be discharged by proper payment to or to the order of the registered holder of the Individual Certificate in respect of each amount so paid.

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## **PRO FORMA SERIES SUPPLEMENT**

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Set out below is the form of Series Supplement which will be completed in respect of each Series.



### **IMPUMELELO CP NOTE PROGRAMME 1 (RF) LIMITED**

*(Incorporated in South Africa with limited liability under registration number 2013/211998/06)*

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#### **Serialised Note Programme**

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This document constitutes the Series Supplement, relating to the Issuer and the Series described in this Series Supplement.

By executing this Series Supplement the Issuer binds itself to the terms and conditions of the Programme and, accordingly, this Series Supplement must be read in conjunction with the Programme Memorandum issued by iMpumelelo CP Note Programme 1 (RF) Limited dated on or about 17 August 2015. To the extent that there is any conflict or inconsistency between the contents of this Series Supplement and the Programme Memorandum, the provisions of this Series Supplement shall prevail.

In addition to disclosing information about the Programme and the Series Assets, this Series Supplement may specify other terms and conditions of the Notes (which replace, modify or supplement the Terms and Conditions), in which event such other terms and conditions shall, to the extent so specified in this Series Supplement, or to the extent inconsistent with the Terms and Conditions, replace, modify or supplement the Terms and Conditions of the Notes of this Series.

Any capitalised terms not defined in this Series Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*".

References in this Series Supplement to the Terms and Conditions are to the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*". A reference to any Condition in this Series Supplement is to that Condition of the Terms and Conditions.

Under this Series, the Issuer may from time to time issue Notes denominated in any currency agreed by the Issuer and the Dealer, subject to all Applicable Laws and, in the case of Notes listed on the Interest Rate Market of the JSE Limited or its successor, or such other or further exchange as may be determined by the Issuer and the Dealer, the JSE Debt Listing Requirements and/or the listing requirements of such other or further exchange, that are subject to the Terms and Conditions contained in this Series Supplement, read together with the Programme Memorandum.

Save as set out in this Series Supplement, the Notes issued in respect of this Series will not be subject to any minimum or maximum maturity. This Series Supplement will apply to Notes issued in respect of the Series described in this Series Supplement in an aggregate Outstanding Principal Amount which will not exceed the Series Limit, unless

the Series Limit is increased in accordance with the Terms and Conditions and such increased amount is notified to the JSE.

The Programme has been approved by the JSE. Notes issued under the Series described in this Series Supplement may be listed on the Interest Rate Market of the JSE, or any successor exchange or on any other or further exchange(s) as may be determined by the Issuer and subject to any Applicable Law. Unlisted Notes may also be issued under this Series. With respect to Notes to be listed on the Interest Rate Market of the JSE, the Applicable Pricing Supplement will be delivered to the JSE and the Central Securities Depository before the date of issue of such Notes and new Notes may be traded by or through members of the JSE from the date specified in the Applicable Pricing Supplement.

The Issuer may determine that a particular Tranche of Notes will not be listed on the Interest Rate Market of the JSE or any other exchange. With respect to the Notes of this Series that are not listed on the Interest Rate Market of the JSE, the placement of such unlisted Notes may be reported through the JSE's reporting system in order for the settlement of trades to take place in accordance with the electronic settlement procedures of the Interest Rate Market of the JSE and the Central Securities Depository. In such event, the Applicable Pricing Supplement will be delivered to the Interest Rate Market of the JSE and the Central Securities Depository. With respect to Notes that are not listed on the Interest Rate Market of the JSE and not to be settled through the electronic settlement procedures of the Interest Rate Market of the JSE and the Central Securities Depository, no Applicable Pricing Supplement will be delivered to the JSE.

The Notes may be issued on a continuing basis and be placed by one or more of the dealers specified under the section entitled "*Summary of the Series*" and any additional dealer appointed under this Series from time to time, which appointment may be for a specific issue or on an on-going basis (each a "**Dealer**" and together the "**Dealers**"). The Issuer may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions, in which case the Applicable Pricing Supplement issued in relation to such Notes will describe the form of such Notes.

The holders of Notes that are listed on the Interest Rate Market of the JSE may claim against the BESA Guarantee Fund Trust (in accordance with the rules of the BESA Guarantee Fund Trust) only if such Notes are traded by or through members of the JSE in accordance with the rules and operating procedures for the time being of the JSE and the Central Securities Depository. The holders of Notes that are not listed on the Interest Rate Market of the JSE will have no recourse against the JSE or the BESA Guarantee Fund Trust even if such Notes are settled through the electronic settlement procedures of the JSE and the Central Securities Depository. Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the BESA Guarantee Fund Trust. Unlisted Notes are not regulated by the JSE.

This Series Supplement will only apply to Notes issued under this Series and will not apply to Notes issued under any other Series.

Arranger and Dealer

**ABSA BANK LIMITED, acting through its Corporate and Investment Banking division**

The date of this Series Supplement is: [•]

**SUMMARY OF THE SERIES**

**INVESTMENT CONSIDERATIONS**

**DESCRIPTION OF THE ACQUIRED ASSETS OF THIS SERIES**

**FORM OF THE APPLICABLE PRICING SUPPLEMENT**

**SERIES SPECIFIC DEFINITIONS**

**ADDITIONAL/AMENDED TERMS AND CONDITIONS**

**USE OF PROCEEDS**

**STOP ISSUANCE EVENTS**

**PRIORITY OF PAYMENTS**

**GENERAL DESCRIPTION OF THE SECURITY SPV**

**ABSA GUARANTEE (if applicable)**

**GENERAL INFORMATION**

**CORPORATE INFORMATION**

**Appendix – REPORT OF INDEPENDENT AUDITORS OF THE ISSUER**

**IMPUMELELO CP NOTE PROGRAMME 1 (RF) LIMITED (ISSUER)**

By: \_\_\_\_\_  
Director, duly authorised

By: \_\_\_\_\_  
Director, duly authorised

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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## **PRO FORMA APPLICABLE PRICING SUPPLEMENT**

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Set out below is the form of Applicable Pricing Supplement which will be completed by the Issuer for each Tranche of Notes to be issued in relation to a Series.



**iMpumelelo CP Note Programme 1 (RF) Limited**  
(Incorporated in South Africa with limited liability under registration number 2013/211998/06)

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

**Under its Serialised Note Programme  
[•] Series**

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described in this Applicable Pricing Supplement.

This Applicable Pricing Supplement must be read in conjunction with the Programme Memorandum issued by iMpumelelo CP Note Programme 1 (RF) Limited, dated on or about [•] August 2015, and the Series Supplement issued by iMpumelelo CP Note Programme 1 (RF) Limited, dated [•]. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum and/or the Series Supplement, the provisions of this Applicable Pricing Supplement shall prevail.

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*" and the section of the Series Supplement headed "*Series Specific Definitions*". References in this Applicable Pricing Supplement to the Terms and Conditions are to the section of the Programme Memorandum entitled "*Terms and Conditions of the Notes*". References to any Condition in this Applicable Pricing Supplement are to that Condition of the Terms and Conditions.

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from this Applicable Pricing Supplement which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and that this Applicable Pricing Supplement contains all information required by Applicable Law and the JSE Debt Listings Requirements. The Issuer accepts full responsibility for the information contained in this Applicable Pricing Supplement, the Programme Memorandum and the Series Supplement and the annual financial report and any amendment to the annual financial report or any supplements from time to time, except otherwise stated therein.

The Issuer confirms that the Series Limit as specified in this Applicable Pricing Supplement will not be exceeded as a result of the issue of the Notes referred to in this Applicable Pricing Supplement.



## DESCRIPTION OF THE NOTES

1	Issuer	[•] (RF) Limited
2	Relevant Series	[•]
3	Status and Class of the Notes	Secured Class [•] Notes
4	Tranche number	[•]
5	Series number	[•]
6	Aggregate Principal Amount of this Tranche	[•]
7	Issue Date	[•]
8	Minimum Denomination per Note	R1 000 000
9	Issue Price	[•]
10	Applicable Business Day Convention	[Following Business Day/Modified Business Day/Preceding Business Day/other convention – insert details]
11	Interest Commencement Date	[•]
12	Payment Date	[•]
13	Final Redemption Date	[•]
14	Final Redemption Amount	[As per Condition [•]]
15	Use of Proceeds	The net proceeds of the issue of this Tranche will be used to [redeem pursuant to Condition [•] [describe Tranche of Notes to be redeemed] with an aggregate Outstanding Principal Amount of R[•]/[other] [to purchase Acquired Assets]
16	Specified Currency	Rand
17	Set out the relevant description of any additional Terms and Conditions relating to the Notes	[•]
18	[Liquidity Facility Provider]/[Revolving Facility Provider]	[•]
19	Account Bank	[•]
20	Derivative Counterparty	[•]
21	Safe Custody Agent	[•]

- 22 Calculation Agent, if not Absa [•]
- 23 Specified Office of the Calculation Agent [•]
- 24 Transfer Agent, if not Absa [•]
- 25 Specified Office of the Transfer Agent [•]

**FIXED RATE NOTES**

- 26 Fixed Interest Rate [•] % percent per annum nacq/nacm nacs/naca
- 27 Interest Payment Date(s) [•]
- 28 Interest Period(s) [•]
- 29 Any other items relating to the particular method of calculating interest [•]

**FLOATING RATE NOTES**

- 30 Interest Payment Date(s) [•]
- 31 Interest Period(s) [•]
- 32 Manner in which the Interest Rate is to be determined [ISDA Determination/Screen Rate Determination/other (insert details)]
- 33 Margin/Spread for the Interest Rate [(+/- ( ) percent per annum to be added to/subtracted from the relevant (ISDA Rate/Reference Rate)]
- 34 If ISDA Determination
  - 35 (a) Floating Rate Option [•]
  - 36 (b) Designated Maturity [•]
  - 37 (c) Reset Date(s) [•]
- 38 If Screen Determination
  - 39 (a) Reference Rate (including relevant period by reference to which the Interest Rate is to be calculated) [e.g. ZAR-JIBAR rate]
  - 40 (b) Rate Determination Date(s) [•]
  - 41 (c) Relevant Screen page and Reference Code [•]

- 42 If Interest Rate to be calculated otherwise than by reference to the previous two sub-clauses above, insert basis for determining Interest Rate/Margin/Fall back provisions [•]
- 43 If different from the Calculation Agent, agent responsible for calculating amount of interest [•]
- 44 Any other terms relating to the particular method of calculating interest [•]

#### **ZERO COUPON NOTES**

- 45 (a) Implied Yield [•]
- 46 (b) Reference Price [•]
- 47 (c) Any other formula or basis for determining amount(s) payable [•]

#### **MIXED RATE NOTES**

- 48 Period(s) during which the interest rate for the Mixed Rate Notes will be (as applicable) that for - [•]
- 49 (a) Fixed Rate Notes [•]
- 50 (b) Floating Rate Notes [•]
- 51 (c) Other Notes [•]
- 52 The interest rate and other pertinent details are set out under the headings relating to the applicable forms of Notes [•]% [naca] [nacs] [nacm] [nacq] [other method of compounding]

#### **VARIABLE FUNDING NOTES**

- 53 [Applicable Terms and Conditions to be specified] [•]

#### **OTHER NOTES**

- 54 If the Notes are not Fixed Rate Notes or Floating Rate Notes or Mixed Rate Notes or Zero Coupon Notes, or if the Notes are a combination of the above and some other Note, set out the relevant description and any additional Terms and Conditions relating to such Notes [•]

## GENERAL

55	Additional selling restrictions	[•]
56	International Securities Numbering (ISIN)	[•]
57	Stock Code	[•]
58	Financial Exchange	[•]
59	Dealer(s)	[•]
60	Method of distribution	[•]
61	Rating assigned to this Tranche of Notes (if any)	[•]
62	Rating Agency	[•]
63	Governing Law	South Africa
64	Last Day to Register	[•]
65	Books Closed Period	[•]
66	Series Limit	R[•]
67	Aggregate Outstanding Principal Amount of Notes in issue on the issue Date of this Tranche	R[•], excluding this Tranche of Notes and any other Tranche(s) of Notes to be issued on the Issue Date
68	Other provisions	[•]
69	Additional Information	[•]
70	Legal Jurisdiction where the Acquired Assets are situated	South Africa
71	Description of the Acquired Assets	See page [•] of the Series Supplement and Annexure A hereto

## DESCRIPTION OF ACQUIRED ASSETS – SEE APPENDIX "A"

Application is hereby made to list this Tranche of Notes, as from [•], pursuant to the iMpumelelo CP Note Programme 1 (RF) Limited Note Programme.

## IMPUMELELO CP NOTE PROGRAMME 1 [RF] LIMITED (ISSUER)

By: \_\_\_\_\_  
Director, duly authorised

By: \_\_\_\_\_  
Director, duly authorised

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **APPENDIX "A"**

### **DESCRIPTION OF ACQUIRED ASSETS**

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## TERMS AND CONDITIONS OF THE NOTES

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*Before the Issuer issues any Tranche of Notes under a Series, the Issuer shall complete and sign the relevant Series Supplement and an Applicable Pricing Supplement, based on the pro forma Applicable Pricing Supplement included in this Programme Memorandum, setting out further details of the Notes.*

*The Series Supplement and/or the Applicable Pricing Supplement in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace, modify or supplement the following Terms and Conditions for the purposes of such Tranche of Notes.*

The following are the terms and conditions of the Notes to be issued in relation to each Series.

### 1 INTERPRETATION

1.1 Terms and expressions set out below shall have the meanings set out below in the Terms and Conditions of the Notes and the other Series Transaction Documents, unless such term is separately defined in the relevant Series Supplement, the Applicable Pricing Supplement or the Series Transaction Documents or the context otherwise requires.

**"Absa"** Absa Bank Limited, acting through its Corporate and Investment Banking division (Registration Number 1986/004794/06) a company duly incorporated and registered in accordance with the laws of the RSA and a bank registered under the Banks Act;

**"Account Bank"** in relation to each Series, Absa or such other bank specified in the Series Supplement, or such other bank appointed in terms of the Account Bank Agreement, provided that such bank shall be a bank authorised to conduct the business of a bank under the Banks Act;

**"Account Bank Agreement"** in relation to each Series,, an agreement concluded between the Issuer, the Account Bank and relevant Security SPV, in accordance with which the relevant Series Transaction Account is opened by the Issuer with the Account Bank;

**"Account Monies"** in relation to each Series, all monies held from time to time in all bank accounts (existing and future) in the name of or on behalf of the Issuer, including monies in the relevant Series Transaction Account and the GIC Account;

**"Accounting Records"** the financial statements and accounting records of the Issuer;

<b>"Acquired Asset"</b>	in relation to each Series, any loan, bond, note, debenture, credit linked note or other debt security acquired, subscribed for or invested in by the Issuer under an Acquisition Agreement;
<b>"Acquisition Agreement"</b>	in relation to each Series, the written acquisition agreement concluded between, <i>inter alia</i> , the Issuer, the Seller and the Security SPV in terms of which the Issuer may acquire Acquired Assets from that Seller from time to time;
<b>"Actual Redemption Date"</b>	in relation to a Tranche of Notes of a particular Series, the date upon which the Notes in that Tranche are redeemed in full by the Issuer;
<b>"Administration Agreement"</b>	in relation to each Series, the agreement concluded between, <i>inter alia</i> , the Issuer, the Administrator and the Security SPV setting out the duties of the Administrator under that Series;
<b>"Administration Fee"</b>	the fee payable to the Administrator in respect of each Series in accordance with the provisions of the Administration Agreement;
<b>"Administrator"</b>	in relation to each Series, Absa or any other person appointed as administrator by the Issuer from time to time, under the Administration Agreement;
<b>"Agency Agreement"</b>	in relation to each Series, the agreement concluded between, <i>inter alia</i> , the Issuer, the Security SPV, the Transfer Agent, the Calculation Agent and the Paying Agent;
<b>"this Agreement"</b>	when used in a Series Transaction Document, refers to that Series Transaction Document in which it is used;
<b>"Applicable Laws"</b>	in relation to a person, all and any - <ul style="list-style-type: none"><li>(a) present or future common law;</li><li>(b) statutes and subordinate legislation;</li><li>(c) regulations, ordinances and directives;</li><li>(d) by-laws;</li><li>(e) codes of practice, circulars, guidance notices, judgments and decisions of any competent authority; and</li></ul>

- (f) other similar provisions, from time to time, compliance with which is mandatory for that person;
- "Applicable Pricing Supplement"** in relation to a Tranche of Notes issued under a Series, the pricing supplement completed and signed by the Issuer in relation to the issue of that Tranche of Notes, setting out such additional and/or other terms and conditions as are applicable to that Tranche of Notes, based upon the *pro forma* applicable pricing supplement which is set out in the section of this Programme Memorandum entitled "*Pro Forma Applicable Pricing Supplement*";
- "Applicable Procedures"** the rules and operating procedures for the time being of the Central Securities Depository, the Settlement Agent and the JSE, as the case may be;
- "Approved Entity"**
- (a) a person which has the Required Credit Rating; or
  - (b) a person which is a wholly owned subsidiary of an entity which has the Required Credit Rating, and whose obligations are irrevocably and unconditionally guaranteed by such entity. For the purposes of this definition, the term "subsidiary" will bear the meaning ascribed thereto in the Companies Act, save that the relevant entity shall not be limited to being a South African company;
- "Arranger"** Absa;
- "Auditor"** the appointed auditor of the Issuer from time to time, as specified in the Series Supplement;
- "Banks Act"** the Banks Act, 1990;
- "Beneficial Interest"** in relation to a Note, an interest as owner of a Note held in uncertificated form, in accordance with the Financial Markets Act;
- "BESA Guarantee Fund Trust"** the guarantee fund established and operated by the JSE as a separate guarantee fund in terms of the rules of the JSE, as required by sections 8 (1)(h) and 17 (2)(w) of the Financial Markets Act;



<b>"Books Closed Period"</b>	the period during which the Register will be closed and the Transfer Agent appointed in relation to a Series will not record any transfers of Notes in the Register, as specified in Condition 16.2 (as may be amended by the Applicable Pricing Supplement);
<b>"Business Day"</b>	a day (other than a Saturday, Sunday or statutory public holiday) on which commercial banks settle payments in Rand in South Africa;
<b>"Business Day Convention"</b>	the business day convention, if any, specified as such and as set out in the Applicable Pricing Supplement;
<b>"Business Proceeds"</b>	in relation to each Series, any proceeds of or arising in connection with the disposal by the Issuer of the whole or part of its business in relation to that Series or the Series Assets;
<b>"Calculation Agent"</b>	in relation to each Series, Absa or any other entity (with suitable standing) nominated by Absa, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as calculation agent in accordance with the Agency Agreement, as specified in the Applicable Pricing Supplement and/or Series Supplement, in which event the other entity shall serve as calculation agent in respect of that Tranche of Series or Notes;
<b>"Cash"</b>	cash on hand or at a bank representing cleared or immediately available funds;
<b>"Central Securities Depository"</b>	Strate Limited (registration number 1998/022242/06), or its nominee, a central securities depository operating in terms of the Financial Markets Act, or any additional or alternate depository approved by the Issuer, the Administrator, the Security SPV and the JSE;
<b>"Central Securities Depository's Nominee"</b>	any wholly owned subsidiary (as defined in the Companies Act) of the Central Securities Depository approved by the Registrar (as defined in the Financial Markets Act) for purposes of, and as contemplated in, section 36 of the Financial Markets Act and any reference to "Central Securities Depository's Nominee" shall, whenever the context permits, be deemed to include a reference to its successor operating in terms of the Financial Markets Act;
<b>"Certificate"</b>	an Individual Certificate;
<b>"Certificated Note"</b>	a Note issued in registered form represented by an Individual Certificate;

<b>"Class" or "Class of Notes"</b>	in relation to each Series, all of the Notes having the same ranking in the Priority of Payments of that Series, designated by a letter of the alphabet (such as Class A Notes and Class B Notes), on the basis that a Note in a Class of Notes identified by a letter closer to the beginning of the alphabet will rank higher than Notes in those Classes of Notes identified by a letter closer to the end of the alphabet. A Class may comprise of separate Tranches of Notes having different Interest Rates, Final Redemption Dates and other terms as set out in the Applicable Pricing Supplement (and, if so, these will be designated by a letter of the alphabet followed by a numeral, such as Class A1 and Class A2);
<b>"Common Terms Agreement"</b>	in respect of each Series, the agreement entered into between, <i>inter alia</i> , the Issuer, the Security SPV, the Seller, the Administrator, the Derivative Counterparty, the Liquidity Facility Provider (if any), the Preference Shareholder, the Calculation Agent, the Paying Agent, the Transfer Agent, the Account Bank, the Owner Trustee, and the Security SPV Owner Trustee, setting out certain terms and provisions common to all or some of the Series Transaction Documents in relation to that Series;
<b>"Companies Act"</b>	the Companies Act, 2008;
<b>"Condition"</b>	a numbered term or condition of the Notes forming part of the Terms and Conditions (and reference in the Series Transaction Documents to a particular numbered Condition shall be construed as a reference to the corresponding condition in the Terms and Conditions);
<b>"Controlling Class" or "Controlling Class of Noteholders"</b>	in relation to each Series, the holders of the highest-ranking Class of Notes at any point in time of that Series, and if there is only one Class of Notes, then the holders of such Notes;
<b>"Date of Signature"</b>	in respect of a Series Transaction Document, the date of signature by the party last signing in time;
<b>"Dealer"</b>	a dealer in relation to an issue of Notes, being Absa or such other person with whom the Issuer has entered into a Note Subscription Agreement, as identified in the Applicable Pricing Supplement;

<b>"Dealer Agreement"</b>	in relation to each Series, the agreement concluded between, <i>inter alia</i> , the Issuer, the Arranger and the Dealer in terms of which the Dealer and the Arranger undertake to assist and advise the Issuer in respect of the issue of Notes under that Series;
<b>"Debt Sponsor"</b>	Absa;
<b>"Derivative Contract"</b>	in respect of each Series, any interest rate swap, forward rate agreement or other hedging transaction or agreement, any option with respect to such transaction or agreement, or any combination of such transactions or agreements or other similar arrangements entered into by the Issuer and a Derivative Counterparty in relation to that Series;
<b>"Derivative Counterparty"</b>	the person specified in the Applicable Pricing Supplement, or any other person with the Required Credit Rating, with whom the Issuer concludes a Derivative Contract;
<b>"Derivative Termination Amount"</b>	all amounts payable to the Derivative Counterparty by the Issuer under any Derivative Contract following the occurrence of an early termination date as defined in that Derivative Contract;
<b>"Encumbrance"</b>	includes any mortgage bond, notarial bond, pledge, lien, hypothecation, assignment, security cession, deposit by way of security or any other agreement or arrangement (whether conditional or not and whether relating to existing or to future assets), having the effect of providing a security interest or preferential treatment to a person over another person's assets (including set-off, title retention or reciprocal fee arrangements) or any agreement or arrangement to give any form of security or preferential treatment to a person over another person's assets, but excluding statutory preferences and rights of first refusal, and <b>"Encumber"</b> shall be construed accordingly;
<b>"Enforcement Notice"</b>	in respect of each Series, a notice delivered by the Security SPV to the Issuer pursuant to the Terms and Conditions following an Event of Default under the Notes of that Series;
<b>"EURIBOR"</b>	has the meaning ascribed to that term in the Series Supplement or Applicable Pricing Supplement, as the case may be;
<b>"Event of Default"</b>	in relation to the Notes issued under a Series, any of the events or circumstances specified as such in Condition 11 of the Terms and Conditions, and in

	relation to any Series Transaction Document, an event specified as such in terms of that Series Transaction Document;
<b>"Extraordinary Resolution"</b>	in relation to each Series, a resolution passed at a properly constituted meeting of Noteholders or Noteholders of the relevant Class of Notes, as the case may be of that Series, upon a poll, by a majority consisting of not less than 66.67% of the votes cast at such poll by Noteholders or Noteholders of the relevant Class of Notes, as the case may be, present in person or by proxy;
<b>"Final Redemption Date"</b>	in relation to a Tranche of Notes, the date specified in the Applicable Pricing Supplement, being the final date upon which the Notes are to be redeemed;
<b>"Financial Markets Act"</b>	the Financial Markets Act, 19 of 2012;
<b>"Fitch"</b>	Fitch Ratings;
<b>"Fixed Rate Notes"</b>	Notes which will bear interest at a fixed Interest Rate, as specified in the Applicable Pricing Supplement;
<b>"Floating Rate Notes"</b>	Notes which will bear interest at a floating Interest Rate, as specified in the Applicable Pricing Supplement;
<b>"GCR"</b>	Global Credit Ratings;
<b>"GIC Account"</b>	in respect of each Series, the bank account opened with the GIC Provider in the name of the Issuer, the details of which will be specified in each Series Supplement;
<b>"GIC Provider"</b>	Absa and its successors-in-title, in its capacity as provider of the guaranteed rate of return under the Guaranteed Investment Contract or such person as may be appointed as GIC Provider under the terms of the Guaranteed Investment Contract;
<b>"Guarantee Conditions"</b>	any condition specified or contemplated in each Series Guarantee;
<b>"Guaranteed Investment Contract"</b>	in respect of each Series, the agreement between the GIC Provider, the Issuer and the Security SPV, setting out the terms of the return payable on the Cash held in the relevant Series Transaction Account of the Issuer;

<b>"IFRS"</b>	International Financial Reporting Standards and the interpretation of those standards as adopted by the International Accounting Standards Board;
<b>"Individual Certificate"</b>	as contemplated in the Terms and Conditions, a single certificate for Notes in a Tranche of Notes, registered in the name of the relevant Noteholder;
<b>"Interest Amount"</b>	the amount of interest payable in respect of each Note, as determined in accordance with the Terms and Conditions;
<b>"Interest Commencement Date"</b>	the first date from which interest on the Notes, if any, will accrue, as specified in the Applicable Pricing Supplement;
<b>"Interest Payment Date"</b>	in relation to each Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;
<b>"Interest Period"</b>	each period from (and including) each Interest Payment Date to (but excluding) the following Interest Payment Date; provided that the first Interest Period in respect of any Tranche of Notes shall be from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date thereafter;
<b>"Interest Rate"</b>	in relation to each Tranche of Notes, the interest rate(s), if any, specified in the Applicable Pricing Supplement;
<b>"Interest Rate Market of the JSE"</b>	the separate platform or sub-market of the JSE designated as the "Interest Rate Market" and on which (i) securities which were listed on BESA, prior to its merger with the JSE on 22 June 2009, may continue to be listed and (ii) debt securities (as defined in the JSE Debt Listings Requirements) may be listed, or such other separate platform or sub-market of the JSE as is selected by the Issuer, subject to all Applicable Laws;
<b>"ISDA"</b>	International Swaps and Derivatives Association, Inc;
<b>"ISDA Definitions"</b>	the 2006 ISDA Definitions as published by ISDA (as amended, supplemented, revised or republished from time to time);
<b>"Issue Date"</b>	in relation to each Tranche of Notes, the date specified as such in the Applicable Pricing Supplement;

- "Issue Price"** in relation to each Tranche of Notes, the price specified as such in the Applicable Pricing Supplement;
- "Issuer"** iMpumelelo CP Note Programme 1 (RF) Limited, a public company with limited liability, duly registered and incorporated in accordance with the laws of the RSA under registration number 2013/211998/06 and its successors in title or assigns;
- "Issuer's Business"** the business conducted by the Issuer from time to time of, *inter alia*, acquiring and/or investing in Acquired Assets in relation to each Series, issuing Notes, entering into the relevant Series Transaction Documents (and related documents) and any other incidental or related activity, as described in the memorandum of incorporation of the Issuer and the Series Transaction Documents in relation to each Series;
- "Issuer Insolvency Event"** the occurrence of any of the following events -
- (a) the Issuer becoming subject to a scheme of arrangement as envisaged in section 114 or scheme of compromise as envisaged in section 155 of the Companies Act (other than one the terms of which have been approved by the Security SPV or by an Extraordinary Resolution of the Noteholders of each Series and where the Issuer is solvent);
  - (b) the Issuer being wound-up, liquidated, deregistered or placed under supervision by a business rescue practitioner, in any such event whether provisionally or finally and whether voluntarily or compulsorily;
  - (c) the Issuer compromising or attempting to compromise with, or deferring or attempting to defer payment of debts owing by it to, its creditors generally or any significant class of creditors (except a deferral provided for in the relevant Series Transaction Documents as a result of lack of funds available for that purpose in terms of the Priority of Payments);
  - (d) the Issuer committing an act which would be an act of insolvency, in terms of the Insolvency Act, 1936, were the Issuer a natural person (other than any deferral of payments in terms of the Priority of Payments);

- (e) the Issuer being deemed to be unable to pay its debts in accordance with the provisions of section 345 of the Companies Act, 61 of 1973 (except where such is as a result of a lack of available funds for that purpose in terms of the Priority of Payments);
- (f) the Issuer becoming financially distressed (as such term is defined in section 128 of the Companies Act);
- (g) the members or creditors or, where applicable, directors of the Issuer meeting in order to pass a resolution providing for the Issuer to be wound-up, liquidated, deregistered or placed under supervision by a business rescue practitioner, or any resolution being passed to this effect;

**"Issuer Owner Trust"**

iMpumelelo Owner Trust (Master's reference number IT20240/2014), the trust established and registered in accordance with the laws of the RSA, which owns or will own all of the ordinary shares of all of the Issuers;

**"JIBAR"**

- (a) the mid-market rate for one, three, six or twelve month deposits in Rand for the relevant Interest Period which appears on the Reuters screen SAFEY page under caption "Yield" (or on the JSE Equity Derivatives Market nominated successor screen for JIBAR) as of approximately 11h00 (Johannesburg time) on the relevant Rate Determination Date, rounded to the third decimal point; or
- (b) if such rate does not appear on the Reuters screen SAFEY page (or on the JSE Equity Derivatives Market nominated successor screen for JIBAR) for the relevant Interest Period for any reason whatsoever, the rate determined on the basis of the mid-market rate for one, three, six or twelve month deposits in Rand quoted by at least two of the Reference Banks at approximately 11h00 (Johannesburg time) on the Rate Determination Date. (The Administrator will request the principal Johannesburg office of each of the Reference Banks to provide a quotation of such rate. If at least two quotations are provided, the rate for that date will be the arithmetic mean of those quotations); or

- (c) if on any Rate Determination Date on which the previous sub-paragraph applies, fewer than two quotations are provided by the Reference Banks, the rate for that date will be determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner, using a representative rate which in its opinion is as close as possible to one, three or six month JIBAR;
- "JSE"** the JSE Limited (registration number 2005/022939/06), a licensed financial exchange in terms of the Financial Markets Act or any exchange which operates as a successor exchange to the JSE;
- "JSE Debt Listings Requirements"** all listing requirements promulgated by the JSE from time to time for the Interest Rate Market of the JSE;
- "JSE Equity Derivatives Market"** the JSE Equity Derivatives Market, formerly the South African Futures Exchange division of the JSE Limited or any successor to such division;
- "Last Day to Register"** in relation to the Notes issued under each Series, the Business Day immediately preceding the first day of the Books Closed Period;
- "LIBOR"** has the meaning ascribed to that term in the Series Supplement or Applicable Pricing Supplement, as the case may be;
- "Liquidity Facility"** to the extent required and in respect of a Series, a committed Rand denominated short-term loan facility, provided by the Liquidity Facility Provider in terms of the Liquidity Facility Agreement;
- "Liquidity Facility Agreement"** to the extent required and in respect of a Series, the agreement between the Issuer, the Security SPV, the Administrator and the Liquidity Facility Provider, setting out the terms of the Liquidity Facility;
- "Liquidity Facility Provider"** to the extent required and in respect of a Series, the entity with the Required Credit Rating with whom the Issuer concludes a Liquidity Facility Agreement, to provide the Liquidity Facility to the Issuer;
- "Mixed Rate Notes"** Notes which will bear interest over respective periods at differing interest rates applicable to any combination of Fixed Rate Notes, Floating Rate Notes or other Notes, each as indicated in the Applicable Pricing Supplement;



<b>"Moody's"</b>	Moody's Investors Services;
<b>"Noteholder"</b>	in respect of a Note, the holder of that Note, as recorded in the Register;
<b>"Notes"</b>	the limited recourse, secured, registered Notes issued or to be issued by the Issuer under each Series in terms of the Terms and Conditions;
<b>"Ordinary Resolution"</b>	a resolution passed at a properly constituted meeting of Noteholders or Noteholders of the relevant Class of Notes of a Series, as the case may be, upon a poll, by majority of the votes cast at such a poll by Noteholders or Noteholders of the relevant Class of Notes, as the case may be, present in person or by proxy;
<b>"Outstanding Principal Amount"</b>	of any Note, the Principal Amount of that Note less the aggregate amounts in respect of principal redeemed on that Note;
<b>"Owner Trustee"</b>	the trustee for the time being of the Issuer Owner Trust, at the date of this Programme Memorandum being TMF Corporate Services (South Africa) Proprietary Limited (previously known as GMG Trust Company (SA) Proprietary Limited);
<b>"Participant"</b>	a person that holds in custody and administers securities or an interest in securities and that has been accepted by the Central Securities Depository as a participant in terms of section 31 of the Financial Markets Act;
<b>"Paying Agent"</b>	in relation to each Series, Absa or any other entity (with suitable standing) nominated by Absa, unless the Issuer elects to appoint, in relation to a particular Tranche or Series of Notes, another entity as paying agent in accordance with the Agency Agreement, as specified in the Applicable Pricing Supplement and/or Series Supplement, in which event the other entity shall serve as paying agent in respect of that Tranche or Series of Notes;
<b>"Payment Date"</b>	in relation to each Series, the date specified as such in the Series Supplement or Applicable Pricing Supplement, as the case may be;
<b>"Permitted Investments"</b>	in respect of each Series -  (a) any loan stock, bonds, debt securities, notes or other debt securities purchased in the same currency as the Specified Currency and with a rating of at least F1+(zaf) on a short-term national scale, if Notes in issue are

rated by Fitch or, if Notes in issue are rated by another Rating Agency, such rating as required by such other Rating Agency and specified in the relevant Series Supplement and/or Applicable Pricing Supplement, as the case may be;

- (b) Cash deposited with an Approved Entity;
- (c) any -
  - (i) loan stock, bonds, debt securities, notes or other debt securities issued by;
  - (ii) securities, deposits or loans secured or guaranteed by; or
  - (iii) deposits or loans secured upon stock, bonds, notes or other securities issued or guaranteed by,

the Central Government of South Africa or any Province of South Africa which has a Required Credit Rating;

- (d) certificates of deposit or any other debt security which has a Required Credit Rating or which is issued by a person which is an Approved Entity; and
- (e) deposits with, loans to or purchase of bills of exchange, promissory notes, certificates of deposit or other negotiable instruments accepted, drawn or endorsed by, an Approved Entity,

being, in all cases -

- (i) an investment which has a maturity date on or prior to the Payment Date in respect of that Tranche following the date on which the investment is made; and
  - (ii) an investment which is designated by the Administrator as being referable to that Tranche; or
- (f) any other investment with an Approved Entity stipulated in the Series Supplement which satisfies paragraphs (i) and (ii) preceding immediately above;

<b>"Post-Enforcement Priority of Payments"</b>	in relation to each Series, the order in which payments will be made by the Issuer or the Security SPV to Secured Creditors of that Series after the delivery of an Enforcement Notice in respect of that Series, as set out in each Series Supplement;
<b>"Potential Event of Default"</b>	any event or the existence of any circumstances which, with the giving of notice, any determination of materiality, the satisfaction or non-satisfaction of any applicable condition, or any combination of them would bring about an Event of Default;
<b>"Pre-Enforcement Priority of Payments"</b>	in relation to each Series, the order in which payments will be made by the Issuer to Secured Creditors of that Series prior to delivery of an Enforcement Notice in respect of that Series, as set out in each Series Supplement;
<b>"Preference Shareholder"</b>	the registered holder from time to time of the Preference Shares;
<b>"Preference Share Subscription Agreement"</b>	in relation to each series, the agreement concluded between the preference shareholder and the Issuer relating to the subscription for Preference Shares (with respect to that Series) in the Issuer;
<b>"Preference Shares"</b>	the cumulative redeemable preference shares with no par value in the issued share capital of the Issuer;
<b>"Principal Amount"</b>	in relation to a Note, the nominal amount of that Note on the Issue Date;
<b>"Priority of Payments"</b>	in relation to each Series, the Pre-Enforcement Priority of Payments or Post-Enforcement Priority of Payments, as the case may be;
<b>"Programme"</b>	the Note programme established by the Issuer under this Programme Memorandum as set out in this Programme Memorandum and as supplemented by each Series Supplement, under which the Issuer may from time to time issue Notes in respect of each Series;
<b>"Programme Memorandum"</b>	the information memorandum contained in this document issued by the Issuer, pursuant to which the Issuer establishes a framework for the Programme and which sets out certain common terms and provisions for the issue of Notes by the Issuer in respect of each Series and supplemented in respect of each Series by each Series Supplement and each Applicable Pricing Supplement issued in relation to that Series;

<b>"R" or "Rand" or "ZAR"</b>	the lawful currency of South Africa, being South African Rand, or any successor currency;
<b>"Rate Determination Date"</b>	in respect of each Interest Period for a Tranche of Floating Rate Notes, the day falling on the first day of that Interest Period or, if such day is not a Business Day, the first following day that is a Business Day, being the day upon which the Interest Rate in respect of that Tranche of Floating Rate Notes for that Interest Period will be determined by the Calculation Agent in accordance with the Terms and Conditions;
<b>"Rating"</b>	in relation to the Notes, a rating assigned by the Rating Agency, which Rating shall be a national scale and/or global scale rating by the Rating Agency;
<b>"Rating Agency"</b>	Fitch, GCR, Moody's or S&P or such other rating agency (if any) as may be specified in a Series Supplement and/or Applicable Pricing Supplement, as the case may be, from time to time;
<b>"Receivables"</b>	<p>the right, title and interest in, to and under any Acquired Asset, including, without limitation, under -</p> <ul style="list-style-type: none"><li>(a) a corporate loan, commercial property loan, consumer loan, project finance loan, infrastructure finance loan, housing loan, lease or debt owed pursuant to a trade receivable, auto receivable and other receivables, and any other forms of monetary obligation; and</li><li>(b) supporting securities, insurance policies, and other rights in respect of such an asset, and any other receivable which is specified in the relevant Series Supplement as a Receivable;</li></ul>
<b>"Redemption Amount"</b>	the amount allocated for redemption of the Notes under the Priority of Payments;
<b>"Redemption Date"</b>	the Final Redemption Date or Actual Redemption Date, as the case may be;
<b>"Reference Banks"</b>	Absa Bank Limited, The Standard Bank of South Africa Limited, FirstRand Bank Limited, Nedbank Limited and each of their successors-in-title;
<b>"Register"</b>	the register of Noteholders of that Series maintained by the Transfer Agent;

<b>"Required Credit Rating"</b>	in respect of each Series, the term defined as such in the Series Supplement;
<b>"RSA"</b>	Republic of South Africa;
<b>"S&amp;P"</b>	Standard & Poor's;
<b>"Safe Custody Agent"</b>	in respect of each Series, the safe custody agent appointed in accordance with the Safe Custody Agreement for that Series;
<b>"Safe Custody Agreement"</b>	in respect of each Series, the safe custody agreement between the Issuer and the Safe Custody Agent (on such terms determined between the Issuer, the relevant Safe Custody Agent and the relevant Security SPV), in respect of a Tranche of Notes, as described in the Series Supplement;
<b>"Secured Creditors"</b>	in relation to each Series, each of the creditors (including the Noteholders) of the Issuer bound in terms of one or more of the Series Transaction Documents and referred to in the Priority of Payments of that Series;
<b>"Security"</b>	the security constituted by the relevant Series Security Agreements, or any one or more thereof, as the context dictates;
<b>"Security Interest"</b>	any mortgage, pledge, lien, equity option, Encumbrance, right of set-off, or other adverse right or interest whatsoever, howsoever created or arising;
<b>"Security SPV"</b>	in relation to each Series, Bowwood and Main No. 103 Proprietary Limited (to be renamed iMpumelelo Security SPV 1 (RF) Proprietary Limited), a private company with limited liability, duly registered and incorporated in accordance with the laws of the RSA under registration number 2013/227248/07 and its successors in title or assigns;
<b>"Security SPV Owner Trust"</b>	iMpumelelo Security SPV Owner Trust (Master's Reference Number IT20238/2014), the trust established and registered in accordance with the laws of South Africa, which owns or will own all of the ordinary shares in the issued share capital of all the Security SPVs;
<b>"Security SPV Owner Trustee"</b>	the trustee for the time being of the Security SPV Owner Trust;

- "Seller(s)"** each entity or person, who is defined as the seller(s) in the Acquisition Agreements, or such other person as may be appointed as seller in accordance with the provisions of the relevant Acquisition Agreement;
- "Series"** a segregated sub-set of assets and liabilities of the Issuer, identified separately by the Administrator in the Accounting Records as being attributable to a Series denoted by a unique numeral in the Accounting Records;
- "Series Assets"** in relation to each Series, the Issuer's right, title and interest in the following -
- (a) any Permitted Investments;
  - (b) any Acquired Asset;
  - (c) any Receivables and other rights held by the Issuer;
  - (d) amounts owing to the Issuer by debtors;
  - (e) any prepayment of expenditure;
  - (f) the Series Transaction Documents, including but not limited to the benefit of all representations, warranties, undertakings, covenants, indemnities and promises made by any party in favour of the Issuer under the Series Transaction Documents;
  - (g) amounts reflected to the credit of the Series Transaction Account;
  - (h) any other asset or property as agreed in writing between the Administrator and the Issuer; and
  - (i) income, or amounts in the nature of income, accrued from investments to the extent not included in the preceding paragraphs of this definition,
- being, in all cases, an asset which is identified separately by the Administrator in the Accounting Records as being attributable to that Series;
- "Series Guarantee"** in relation to each Series, the written limited recourse guarantee given by the Security SPV to the Secured Creditors of that Series;
- "Series Indemnity"** in relation to each Series, the written indemnity given by the Issuer to the Security SPV, indemnifying that Security SPV against claims by

- Secured Creditors of that Series in terms of the Series Guarantee issued by the Security SPV;
- "Series Liability"** in relation to each Series, all liabilities of the Issuer attributable to that Series as identified separately by the Administrator in the accounting records as being attributable to that Series;
- "Series Limit"** the maximum Outstanding Principal Amount of Notes that may be in issue by the Issuer under a Series at any point in time, as specified in the Series Supplement or Applicable Pricing Supplement, as the case may be;
- "Series of Notes"** the Notes comprised of a Tranche of Notes together with any other Tranche or Tranches of Notes (if applicable) which are -
- (a) expressed in the Applicable Pricing Supplement to be consolidated and form a single series of Notes; and
  - (b) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices;
- "Series Security Agreements"** in relation to each Series, the relevant Series Security Cession and the Series Indemnity furnished or procured by the Issuer to the Security SPV;
- "Series Security Cession"** in relation to each Series, the cession by the Issuer in favour of the Security SPV, by way of cession *in securitatem debiti*, of all the Issuer's right, title and interest in and to the Series Assets;
- "Series Supplement"** in relation to each Series, the series supplement issued by the Issuer, in relation to the Notes of that Series setting out, *inter alia*, such additional and/or amended Terms and Conditions of the Notes of that Series, as same may be amended, supplemented or replaced from time to time;
- "Series Transaction Account"** in respect of each Series, the bank account opened with the Account Bank in the name of the Issuer and designated in the Series Supplement as the transaction account for that Series;
- "Series Transaction Documents"** in respect of each Series, the documents specified as such in the Series Supplement issued by the Issuer in relation to the Notes of that Series, which documents shall include at least -
- (a) this Programme Memorandum;

- (b) the relevant Series Supplement;
- (c) the relevant Applicable Pricing Supplements;
- (d) the Dealer Agreement;
- (e) the Agency Agreement;
- (f) the Administration Agreement;
- (g) the Account Bank Agreement;
- (h) the Guaranteed Investment Contract;
- (i) the Common Terms Agreement;
- (j) the Series Guarantee;
- (k) the Series Indemnity;
- (l) the Series Security Agreements;
- (m) the Acquisition Agreement;
- (n) the Preference Share Subscription Agreement;
- (o) the memorandum of incorporation of the Issuer; and
- (p) the memorandum of incorporation of the relevant Security SPV;

**"Settlement Agent"** any Participant approved by the JSE or any other relevant financial exchange from time to time, in terms of the Applicable Procedures of the JSE, as settlement agent to perform electronic settlement of funds and scrip on behalf of market participants;

**"Specified Currency"** in relation to each Series, the currency specified as such in the Applicable Pricing Supplement;

**"Specified Office"** in relation to each of the Issuer, a Security SPV, the Administrator, the Calculation Agent, the Paying Agent and the Transfer Agent, the address of the office specified in respect of such entity at the end of this Programme Memorandum or the relevant Series Supplement, as the case may be, or such other address as is notified by such entity (or, where applicable, a successor to such entity) to the Noteholders of a Series in accordance with the Terms and Conditions, as the case may be;



<b>"Stop Issuance Event"</b>	in relation to the Notes issued under a Series, any of the events or circumstances specified as such in each Series Supplement;
<b>"Subscription Agreement"</b>	each agreement concluded or to be concluded between the Issuer and the Dealer relating to the procuring of subscriptions for the Notes to be issued under a Series, in accordance with the provisions of the relevant Dealer Agreement;
<b>"Taxes"</b>	all present and future taxes, levies, imposts, duties, charges, fees, deductions and withholdings imposed or levied by any governmental, fiscal or other competent authority in the RSA or any other jurisdiction from which any payment is made (and including any penalty payable in connection with any failure to pay, or delay in paying, any of the same) and " <b>Tax</b> " and " <b>Taxation</b> " shall be construed accordingly;
<b>"Terms and Conditions"</b>	in relation to a Tranche of Notes and in respect of each Series, the terms and conditions incorporated in the section entitled " <i>Terms and Conditions of the Notes</i> " of this Programme Memorandum, read together with the Series Supplement and the Applicable Pricing Supplement and in accordance with which the Notes of that Series will be issued;
<b>"Transfer Agent"</b>	in relation to each Series, Absa or any other entity (with suitable standing) nominated by Absa, unless the Issuer elects to appoint, in relation to a Tranche or Series of Notes, another entity as transfer agent as specified in the Applicable Pricing Supplement, in which event that other entity shall serve as transfer agent in respect of that Tranche or Series of Notes;
<b>"Transfer Form"</b>	in relation to the transfer of a Note as contemplated in the Terms and Conditions, means a form of transfer in the usual form or in such other form approved by the Transfer Agent;
<b>"Uncertificated Notes"</b>	a Note issued in uncertificated form which is not represented by any written document or instrument and held in the Central Securities Depository as contemplated by section 33 of the Financial Markets Act;
<b>"Variable Funding Note"</b>	Notes which will bear interest and be subject to such terms and conditions as specified in the Applicable Pricing Supplement;

**"VAT"** value added tax as imposed in terms of the Value-Added Tax Act, 1991, or any similar tax imposed in place thereof from time to time;

**"Zero Coupon Notes"** Notes which will be offered and sold at a discount to their Principal Amount or at par and will not bear interest other than in case of late payment.

- 1.2 any reference to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation as at the Date of Signature of this Programme Memorandum and/or the relevant Series Transaction Document, and as amended or substituted from time to time; and
- 1.3 any reference to any agreement, deed, bond or other document shall include a reference to all annexures, appendices, schedules and other attachments thereto and shall be a reference to that agreement, deed, bond or other document (including such annexures, appendices, schedules and other attachments thereto) as amended, novated and/or replaced from time to time.

## 2 **ISSUE**

- 2.1 Notes may be issued by the Issuer in Tranches under a Series, without requiring the consent of Noteholders of that Series or the Noteholders of any other Series, provided that -
- 2.1.1 the conditions precedent in the Dealer Agreement and Note Subscription have been fulfilled;
- 2.1.2 the necessary regulatory approvals, certificates and/or consents, as required, have been procured in writing;
- 2.1.3 if unrated Tranches of Notes are issued or Tranches of Notes are issued that are assigned a Rating by a different Rating Agency to the Rating Agency that assigned a Rating to any Tranche of Notes in issue, such Rating Agency confirms or affirms, as the case may be, in writing that the respective current Ratings of such Tranches of Notes in issue will not be downgraded or withdrawn as a result of the issue of such unrated or further Tranche of Notes. In the event a new Rating Agency is appointed, such Rating Agency shall assign a Rating to all Tranches of Notes in issue in accordance with such new Rating Agency's rating methodology; and
- 2.1.4 no Stop Issuance Event has occurred and is continuing.
- 2.2 A Tranche of Notes may, together with a further Tranche or Tranches, form a Series of Notes issued under the relevant Series. A Series of Notes may, together with a further Series of Notes or more than one Series of Notes, form a Class of Notes issued under the relevant Series.
- 2.3 The Noteholders are, by virtue of their subscription for or purchase of the Notes, deemed to have notice of, and are entitled to the benefit of, and are subject to, all the provisions of the relevant Series Transaction Documents.
- 2.4 The section in the Series Supplement entitled "*Additional/Amended Terms and Conditions*" is incorporated in these Terms and Conditions and may specify other terms and conditions (which may replace, modify or supplement these

Terms and Conditions), in which event such other terms and conditions shall, to the extent so specified in the Series Supplement, or to the extent being consistent with these Terms and Conditions, replace, modify or supplement these Terms and Conditions for the purpose of that Series.

- 2.5 The Applicable Pricing Supplement for each Tranche of Notes and each Series Supplement is incorporated in these Terms and Conditions for the purposes of those Notes and supplements these Terms and Conditions. The Applicable Pricing Supplement and each Series Supplement may specify other terms and conditions (which may replace, modify, or supplement these Terms and Conditions), in which event such other terms and conditions shall, to the extent so specified in the Applicable Pricing Supplement and each Series Supplement or to the extent inconsistent with these Terms and Conditions, replace, modify or supplement these Terms and Conditions for the purpose of that Tranche of Notes.

### **3 FORM AND DENOMINATION**

- 3.1 Notes will be issued in registered form with a minimum denomination of ZAR1 000 000 each.
- 3.2 Each Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, a Mixed Rate Note, a Variable Funding Note or a combination of any of the foregoing or such other type of Note as may be determined by the Issuer as specified in the Series Supplement and/or the Applicable Pricing Supplement, as the case may be.
- 3.3 Notes will be issued in the form of registered Notes, represented by (i) Individual Certificates registered in the name, and for the account of, the relevant Noteholder or (ii) no Certificate and held in uncertificated form in the Central Securities Depository in terms of section 33 of the Financial Markets Act, and registered in the name, and for the account of, the Central Securities Depository. The Central Securities Depository will hold the Notes subject to the Financial Markets Act and the Applicable Procedures.
- 3.4 Any reference in these Terms and Conditions to the Central Securities Depository shall, wherever the context permits, be deemed to include a reference to its successor in terms of the Financial Markets Act (or any successor Act thereto), and any additional or alternate depository approved by the Issuer, the Administrator, the Security SPV and the JSE (in respect of listed Notes).

### **4 TITLE**

- 4.1 Subject to what is set out below, title to the Notes will pass upon registration of transfer in the Register in accordance with Condition 15. The Issuer and the Transfer Agent shall recognise a Noteholder as the sole and absolute owner of the Notes registered in that Noteholder's name in the Register (notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) and shall not be bound to enter any trust in the Register or to take notice of or to accede to the execution of any trust, express, implied or constructive, to which any Note may be subject.
- 4.2 Beneficial Interests in Notes held in uncertificated form may, in terms of existing law and practice, be transferred through the Central Securities

Depository by way of book entry in the securities accounts of the Participants. Such transfers will not be recorded in the Register and the Central Securities Depository will continue to be reflected in the Register as the Noteholder in respect of Notes held in uncertificated form, notwithstanding such transfers. While the Notes are held in the Central Securities Depository in uncertificated form, each person shown in the records of the Central Securities Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular nominal amount of such Notes (in which regard any certificate or other document issued by the Central Securities Depository or the relevant Participant, as the case may be, as to the Principal Amount of such Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest) shall be treated by the Issuer, the Transfer Agent and the relevant Participant as the holder of such nominal amount of such Notes for all purposes other than with respect to voting and the receipt of payment of principal or interest on the Notes, for which latter purpose the registered holder of the relevant Notes reflected in the Register shall be treated by the Issuer as the holder of such Notes in accordance with and subject to these Terms and Conditions (and the expression "Noteholder" and related expressions shall be construed accordingly).

- 4.3 Any reference in this Programme Memorandum to the relevant Participant shall, in respect of Beneficial Interests, be a reference to the Participant appointed to act as such by a holder of such Beneficial Interest.

## 5 STATUS OF NOTES

- 5.1 The Notes constitute direct, limited recourse, secured obligations of the Issuer.
- 5.2 The claims of the Noteholders (whether in respect of principal, interest or otherwise) shall be subordinated to the claims of higher ranking creditors in accordance with the Priority of Payments.
- 5.3 Notwithstanding the subordinations envisaged in this Condition 5, the Noteholders shall be entitled to be paid any amounts due and payable to them in accordance with the Priority of Payments, on any Interest Payment Date, provided that all amounts required to be paid or provided for in terms of the Priority of Payments in priority thereto, have been paid, provided for or discharged in full.
- 5.4 The Notes of each Class rank *pari passu* among themselves (whether in respect of interest, principal or otherwise).

## 6 INTEREST

### 6.1 Interest on Fixed Rate Notes

#### 6.1.1 Fixed Interest Rate

Each Fixed Rate Note will bear interest on the aggregate Outstanding Principal Amount, at the rate per annum equal to the Interest Rate, from and including the Interest Commencement Date to but excluding the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date).

### 6.1.2 *Interest Payment Dates*

The interest due in respect of each Interest Period will be payable in arrears on the Interest Payment Date in respect of such Interest Period. The first payment of interest will be made on the Interest Payment Date following the Interest Commencement Date. If any Interest Payment Date falls upon a day which is not a Business Day, the provisions of Condition 8.4 shall determine the date of payment of interest due upon such Interest Payment Date. Interest in respect of any Interest Period shall accrue to and be paid on the relevant Interest Payment Date.

### 6.1.3 *Calculation of Interest Amount*

The Calculation Agent will calculate the Interest Amount payable in respect of each Tranche of Fixed Rate Notes for each Interest Period. Unless stated otherwise in the Applicable Pricing Supplement, the Interest Amount shall be calculated by multiplying the Interest Rate by the Outstanding Principal Amount of the Fixed Rate Note and then multiplying such product by the actual number of days elapsed in such Interest Period, divided by 365. The resultant will be rounded to the nearest cent, half a cent being rounded upwards.

## 6.2 **Interest on Floating Rate Notes**

### 6.2.1 *Interest Rate*

Each Floating Rate Note will bear interest on the aggregate Outstanding Principal Amount, at the rates per annum equal to the Interest Rate, from and including the Interest Commencement Date to but excluding the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date).

### 6.2.2 *Interest Payment Dates*

The interest due in respect of each Interest Period will be payable in arrears on the Interest Payment Date in respect of such Interest Period. The first payment of interest will be made on the Interest Payment Date following the Interest Commencement Date. If any Interest Payment Date falls upon a day which is not a Business Day, the provisions of Condition 8.4 shall determine the date of payment of interest due upon such Interest Payment Date. Interest in respect of any Interest Period shall accrue to and be paid on the relevant Interest Payment Date.

### 6.2.3 *Determination of Interest Rate and calculation of Interest Amount*

The Calculation Agent will, on each Rate Determination Date, determine the Interest Rate applicable to a Tranche of Floating Rate Notes for the Interest Period commencing on that Rate Determination Date and calculate the Interest Amount payable in respect of each Floating Rate Note in that Tranche for that Interest Period. Unless stated otherwise in the Applicable Pricing Supplement, the Interest Amount will be determined by multiplying the Interest Rate by the Outstanding Principal Amount of such Floating Rate Note and then multiplying such product by the actual number of days elapsed in such Interest Period, divided

by 365. The resultant sum will be rounded to the nearest cent, half a cent being rounded upwards.

6.2.4 *Basis of Interest Rate*

6.2.4.1 The Interest Rate will be determined -

6.2.4.1.1 on the basis of ISDA Determination; or

6.2.4.1.2 on the basis of Screen Rate Determination; or

6.2.4.1.3 on such other basis as may be determined by the Issuer, all as indicated in the Applicable Pricing Supplement.

6.2.4.2 ISDA Determination

Where ISDA Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will be the relevant ISDA Rate (as defined below) plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any).

For the purposes of this Condition 6.2.4.2 -

**"ISDA Rate"** for an Interest Period means a rate equal to the Floating Rate that would be determined by such agent as is specified in the Applicable Pricing Supplement under a notional interest rate swap transaction if that agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which -

- (a) the Floating Rate Option is as specified in the Applicable Pricing Supplement;
- (b) the Designated Maturity is the period specified in the Applicable Pricing Supplement; and
- (c) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the ZAR-JIBAR rate on the first day of that Interest Period; or (ii) in any other case, as specified in the Applicable Pricing Supplement.

**"Floating Rate", "Floating Rate Option", "Designated Maturity"** and **"Reset Date"** have the meanings given to those expressions in the ISDA Definitions. Other expressions used in this Condition 6.2.4.2 or in the Applicable Pricing Supplement (where ISDA Determination is specified) not expressly defined shall bear the meaning given to those expressions in the ISDA Definitions.

When this Condition 6.2.4.2 applies, in respect of each Interest Period such agent as is specified in the Applicable Pricing Supplement will be deemed to have discharged its obligations under Condition 6.2.3 in respect of the determination of the Interest Rate if it has determined the Interest Rate in respect of such Interest Period in the manner provided in this Condition 6.2.4.2.

### 6.2.4.3 Screen Rate Determination

Where Screen Rate Determination is specified in the Applicable Pricing Supplement as the manner in which the Interest Rate is to be determined, the Interest Rate for each Interest Period will, subject as provided below, be either -

- (a) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (b) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

for the Reference Rate(s) which appears or appear, as the case may be, on the Relevant Screen Page as at 12h00 (Johannesburg time) on the Rate Determination Date in question, plus or minus (as indicated in the Applicable Pricing Supplement) the Margin (if any), all as determined by the Calculation Agent. If five or more such offered quotations are available on the Relevant Screen Page the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by such agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (a) above in this Condition 6.2.4.3, no such offered quotation appears or, in the case of paragraph (b) above in this Condition 6.2.4.3, fewer than three such offered quotations appear, in each case at the time specified in the preceding paragraph, the Calculation Agent shall request the principal Johannesburg office of each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 12h00 (Johannesburg time) on the Rate Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with such offered quotations, the Interest Rate for such Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Calculation Agent.

If the Interest Rate cannot be determined by applying the provisions of the preceding paragraphs of this Condition 6.2.4.3, the Interest Rate for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Calculation Agent by the Reference Banks or any two or more of them, at which such banks offered, at approximately 12h00 (Johannesburg time) on the relevant Rate Determination Date, in respect of deposits in an amount

approximately equal to the Principal Amount of the Notes of the relevant Series, for a period equal to that which would have been used for the Reference Rate, to Reference Banks in the Johannesburg inter-bank market plus or minus (as appropriate) the Margin (if any). If fewer than two of the Reference Banks provide the Calculation Agent with such offered rates, the Interest Rate for the relevant Interest Period will be determined by the Calculation Agent as the arithmetic mean (rounded as provided above) of the rates for deposits in an amount approximately equal to the Principal Amount of the Notes, for a period equal to that which would have been used for the Reference Rate, quoted at approximately 12h00 Johannesburg time on the relevant Rate Determination Date, by four leading banks in Johannesburg (selected by the Calculation Agent and approved by the Issuer) plus or minus (as appropriate) the Margin (if any). If the Interest Rate cannot be determined in accordance with the foregoing provisions of this paragraph, the Interest Rate shall be determined as at the last preceding Rate Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that preceding Interest Period).

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the Applicable Pricing Supplement as being other than the ZAR-JIBAR rate, the Interest Rate in respect of such Notes will be determined, in the manner provided above, or as may be provided in the Applicable Pricing Supplement.

### **6.3 Interest on Mixed Rate Notes**

6.3.1 Each Mixed Rate Note will bear interest at the Interest Rate applicable to the relevant form of interest-bearing Note (be it a Fixed Rate Note or Floating Rate Note) for such Interest Period(s), as is/are specified for this purpose in the Applicable Pricing Supplement, from and including the Interest Commencement Date to but excluding the Final Redemption Date (or the Actual Redemption Date, if the Actual Redemption Date falls before or after the Final Redemption Date).

6.3.2 Unless otherwise specified in the Applicable Pricing Supplement, a Tranche of Mixed Rate Notes shall (i) for the Interest Period(s) during which such Tranche bears interest at the Interest Rate applicable to Fixed Rate Notes, be construed for all purposes as a Tranche of Fixed Rate Notes and (ii) for the Interest Period(s) during which such Tranche bears interest at the Interest Rate applicable Floating Rate Notes, be construed for all purposes as a Tranche of Floating Rate Notes.

### **6.4 Publication of Interest Rate and Interest Amount by the Calculation Agent**

6.4.1 The Calculation Agent will cause the Interest Rate for each Tranche of Notes (other than Fixed Rate Notes) determined upon each Rate Determination Date to be notified to the Noteholders in the manner set out in Condition 17, the Issuer and, if the Administrator is not the Calculation Agent, then also to the Administrator as soon as practicable



after such determination but in any event not later than 5 (five) Business Days after such determination.

- 6.4.2 The Calculation Agent will, in relation to each Tranche of Notes, at least 3 (three) Business Days before each Interest Payment Date, cause the aggregate Interest Amount payable for the relevant Interest Period in respect of such Tranche of Notes to be notified to the Issuer and, if the Administrator is not the Calculation Agent, then also to the Administrator. Simultaneously with the notice to the Issuer, the Calculation Agent will ensure that this information is also disseminated on SENS to SENS subscribers.

#### 6.5 **Calculation and publication of Interest Amount by the Administrator**

Where, in relation to a Tranche of Notes, the Interest Amount payable in respect of each Note in that Tranche is not required to be calculated by the Calculation Agent pursuant to the Terms and Conditions or by some other agent specified in the Applicable Pricing Supplement, as the case may be, the Administrator will calculate such Interest Amount, and the Administrator will, at least 2 (two) Business Days before each Interest Payment Date, cause the aggregate Interest Amount payable for the relevant Interest Period in respect of such Tranche of Notes to be notified to the Issuer.

#### 6.6 **Calculations final and limitation of liability**

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Calculation Agent pursuant to the exercise or non-exercise by it of its powers, duties and discretions under the Terms and Conditions and the Series Transaction Documents and all certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained by the Administrator pursuant to the exercise or non-exercise by it of its powers, duties and discretions under the Terms and Conditions and the Series Transaction Documents, will, in the absence of wilful deceit, bad faith, or manifest error, be binding on the Issuer, the Security SPV and all Secured Creditors (including Noteholders), and no liability to the Issuer, the Security SPV or the Secured Creditors (including Noteholders) will attach to the Calculation Agent and/or the Administrator in connection therewith.

### 7 **REDEMPTION AND PURCHASES**

#### 7.1 **Final Redemption**

- 7.1.1 Unless previously redeemed or purchased and cancelled as specified below, each Tranche of Notes will be redeemed by the Issuer at its Outstanding Principal Amount (together with interest accrued thereon) on the Final Redemption Date, in accordance with the Priority of Payments.
- 7.1.2 The Issuer shall not be entitled or obliged to redeem the Notes in whole or in part prior to the Final Redemption Date except as provided below or as may be specified in any Applicable Pricing Supplement.

## 7.2 **Mandatory redemption in part**

- 7.2.1 On each Interest Payment Date, the Issuer shall, if provided for in the Series Supplement or Applicable Pricing Supplement, as the case may be, partially redeem each Note in all Tranches of Notes (in descending order of rank), to the extent permitted by and in accordance with the Priority of Payments, until the Outstanding Principal Amount of such Notes is reduced to zero.
- 7.2.2 The principal amount redeemable in respect of each Class of Notes on an Interest Payment Date shall be the Redemption Amount on such Interest Payment Date including all accrued but unpaid interest.
- 7.2.3 If a Class of Notes does not comprise more than one Series of Notes, the principal amount redeemable in respect of each Note in that Class of Notes on an Interest Payment Date, shall be the amount allocated to the Notes in that Class of Notes in accordance with the Priority of Payments on such Interest Payment Date, allocated *pro rata* to such Note in the proportion which the Outstanding Principal Amount of such Note bears to the Outstanding Principal Amount of all the Notes in that Class of Notes on such Interest Payment Date, rounded to the nearest Rand, provided always that no such amount may exceed the Outstanding Principal Amount of such Note.
- 7.2.4 If a Class of Notes comprises more than one Series of Notes, the principal amount redeemable on an Interest Payment Date in respect of each Series of Notes within that Class of Notes, shall be as set out in the Series Supplement or the Applicable Pricing Supplement, as the case may be. The principal amount redeemable in respect of each Note in that Series of Notes on an Interest Payment Date, shall be the amount allocated to the Notes in that Series of Notes on such Interest Payment Date, allocated *pro rata* to such Note in the proportion which the Outstanding Principal Amount of such Note bears to the Outstanding Principal Amount of all the Notes in that Series of Notes on such Interest Payment Date, rounded to the nearest Rand, provided always that no such amount may exceed the Outstanding Principal Amount of such Note.

## 7.3 **Optional Redemption - General**

### *Clean-Up Call Option*

On any Interest Payment Date on which the aggregate Outstanding Principal Amount of the Notes in respect of a Series is equal to or less than 10% of the maximum aggregate Outstanding Principal Amount of the Notes of that Series that have been in issue at any time, and upon giving not more than 30 (thirty) nor less than 20 (twenty) days' notice to the Security SPV and the Noteholders, which notice shall be irrevocable, the Issuer may redeem all, but not some only, of the Notes at their Outstanding Principal Amount (together with accrued interest thereon) provided that, prior to giving such notice, the Issuer shall have provided to the Security SPV of that Series a certificate signed by 2 (two) directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, to redeem all the Notes pursuant to the Clean-Up Call Option.

#### 7.4 **Optional redemption for tax reasons**

7.4.1 If the Issuer immediately prior to the giving of the notice referred to below satisfies the Security SPV that -

7.4.1.1 payments of principal or interest in respect of any of the Series Assets cease to be receivable (whether or not actually received) by the Issuer, or are or will necessarily be reduced by virtue of any withholding or deduction for or on account of any present or future Taxes, as the case may be, and such position cannot be avoided by the Issuer taking reasonable measures available to it; or

7.4.1.2 as a result of any change in, or amendment to, the laws or regulations of the RSA or any political sub-division of, or any authority in, or of, the RSA having power to tax becoming effective after the Issue Date the Issuer is or would be required to deduct or withhold from any payment of principal or interest on any Tranche of Notes any amounts as provided or referred to in Condition 9, and such requirements cannot be avoided by the Issuer taking reasonable measures available to it,

then, on any Interest Payment Date, the Issuer may at its option, having given not more than 30 (thirty) and not less than 20 (twenty) days' notice to the Security SPV and Noteholders in accordance with Condition 17 (which notice shall be irrevocable), redeem all, but not some only of the Notes in such Tranche of Notes, at their Outstanding Principal Amount (together with interest accrued thereon).

7.4.2 Prior to giving such notice of redemption, the Issuer shall have provided to the relevant Security SPV -

7.4.2.1 a certificate signed by 2 (two) directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, to redeem such Notes as set out above; and

7.4.2.2 a tax opinion (in form and substance satisfactory to that Security SPV) from a firm of lawyers in the RSA (approved in writing by the Security SPV) opining on the relevant event.

#### 7.5 **Optional Redemption following an event of default under an Acquired Asset**

If an event of default in relation to any Acquired Asset occurs which, if capable of remedy, is not remedied during any applicable grace period, the Issuer may, on any Interest Payment Date, at its option, having given not more than 30 (thirty) and not less than 20 (twenty) days' notice to the Security SPV and the Noteholders of that Series in accordance with Condition 17 (which notice shall be irrevocable), redeem all, but not some only, of the Notes in such Tranche of Notes, at their Outstanding Principal Amount (together with interest accrued thereon). Prior to giving such notice of redemption, the Issuer shall have provided to the Security SPV a certificate signed by 2 (two) directors of the Issuer to the effect that it will have the funds, not subject to any interest of any other person, to redeem such Notes as set out above.

## 7.6 Cancellation

All Notes which are redeemed in full will forthwith be cancelled. Where only a portion of Notes represented by a Certificate are cancelled, the Transfer Agent shall deliver a Certificate to such Noteholder in respect of the balance of the Notes. The Issuer shall notify the Central Securities Depository and the JSE (in respect of listed Notes) of any cancellation or partial redemption of the Notes so that such entities can record the reduction in the aggregate Principal Amount of the Notes in issue.

## 8 PAYMENT

### 8.1 Priority of payments

Payment of interest and principal on the Notes shall be paid by the Issuer in Rand or such other currency as may be specified in the Applicable Pricing Supplement. The Issuer shall not be obliged to make payment of, and Noteholders shall not be entitled to receive payment of, any amount due and payable under the Notes by the Issuer, except in accordance with the Priority of Payments, unless and until all sums required to be paid or provided for in terms of the Priority of Payments, in priority thereto have been paid or discharged in full.

### 8.2 Method of payment

8.2.1 Payments of interest and principal in respect of Notes held in uncertificated form in the Central Securities Depository will be made to the Central Securities Depository's Nominee, which in turn will transfer such funds, via the Participants, to the holders of Beneficial Interests. Each of the persons reflected in the records of the Central Securities Depository or the relevant Participants, as the case may be, as the holders of Beneficial Interests shall look solely to the Central Securities Depository or the relevant Participant, as the case may be, for such persons share of each payment so made by the Issuer to, or for the order of, the registered holder of the Notes held in uncertificated form. The Issuer will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to such Beneficial Interests. Payments of interest and principal in respect of Notes held in the Central Securities Depository in uncertificated form shall be recorded by the Central Securities Depository's Nominee, distinguishing between interest and principal, and such record of payments by the registered holder of the Notes shall be *prima facie* proof of such payments. Payments of interest and principal in respect of Notes represented by Individual Certificates shall be made to the person reflected as the registered holder of the Individual Certificate in the Register on the Last Day to Register.

8.2.2 If the Issuer is prevented or restricted directly or indirectly from making any payment by electronic funds transfer in accordance with Condition 8.2.1 (whether by reason of strike, lockout, fire, explosion, floods, riot, war, accident, act of God, embargo, legislation, shortage of or breakdown in facilities, civil commotion, unrest or disturbances, cessation of labour, government interference or control or any other cause or contingency beyond the control of the Issuer) such inability will

not constitute an Event of Default and the Issuer shall make such payment by cheque (or by such number of cheques as may be required in accordance with applicable banking law and practice).

- 8.2.3 All monies so payable by cheque will be sent by post, at the risk of the Noteholders, to the address of the Noteholder as set forth in the Register or, in the case of joint Noteholders, the address set forth in the Register of that one of them who is first named in the Register in respect of that Note. Each such cheque shall be made payable to or for the order of the relevant Noteholder or, in the case of joint Noteholders, the first one of them named in the Register. Cheques may be posted by ordinary post, provided that the Issuer shall not be responsible for any loss, including any loss due to theft or fraud, in transmission and the postal authorities shall be deemed to be the agent of the Noteholders for the purpose of all cheques posted in terms of this Condition 8. Payment by cheque sent in terms of this Condition 8 shall be a complete discharge by the Issuer of its obligations in respect of the amount of the cheque.
- 8.2.4 Only Noteholders reflected in the Register at 17h00 (Johannesburg time) on the relevant Last Day to Register will be entitled to payments of interest and/or principal in respect of Notes.
- 8.2.5 Payments will be subject, in all cases, to the Priority of Payments and any Taxation or other laws, directives and regulations applicable to such payment in the place of payment.

### 8.3 **Surrender of Certificates**

- 8.3.1 On or before the Last Day to Register prior to any Redemption Date (including a Redemption Date relating to mandatory redemption in part), the holder of a Certificate, in respect of a Note to be redeemed (in part or in whole, as the case may be) shall deliver to the Transfer Agent the Certificates to be redeemed. This will enable the Transfer Agent to endorse the partial redemption thereon or, in the case of final redemption, to cancel the relevant Certificates.
- 8.3.2 Should the holder of a Certificate refuse or fail to surrender the Certificate for endorsement or cancellation on or before a Redemption Date, the amount payable to him in respect of such redemption, including any accrued interest, shall be paid to the Security SPV to be retained by it for such Noteholder, at the latter's risk, until the Noteholder surrenders the necessary Certificate, and interest shall cease to accrue to such Noteholder from the Redemption Date in respect of the amount redeemed.
- 8.3.3 Documents required to be presented and/or surrendered to the Transfer Agent in accordance with the Terms and Conditions will be so presented and/or surrendered at the Specified Office of the Transfer Agent.
- 8.3.4 In the case of Uncertificated Notes, redemptions in part will be concluded in accordance with the Applicable Procedures.

#### 8.4 **Payment Date**

8.4.1 Notwithstanding anything to the contrary contained in the Terms and Conditions, if the date for payment of any amount payable in respect of any Note is not a Business Day, then -

8.4.1.1 if a Business Day Convention is not specified in the Applicable Pricing Supplement, such date for payment shall be the following Business Day;

8.4.1.2 if a Business Day Convention is specified in the Applicable Pricing Supplement, such date for payment shall be adjusted according to such Business Day Convention,

and the holder of such Note will not be entitled to further interest or other payment in respect of any such delay.

#### 8.5 **Calculation and notice of principal payments**

The Administrator will calculate the aggregate amount of principal due and payable by the Issuer in respect of each Tranche of Notes on each date that payment is due and payable in accordance with the Priority of Payments.

### 9 **TAXATION**

9.1 All payments (whether in respect of principal, interest or otherwise) in respect of the Notes will be made free and clear of and without withholding or deduction for or on account of any Taxes, unless such withholding or deduction is required by Applicable Law.

9.2 The payment of any Taxes by the Issuer as an agent or representative taxpayer for a Noteholder shall not constitute a withholding or deduction for the purposes of this Condition 9.

9.3 If any such withholding or deduction is required by Applicable Law in respect of Taxes imposed or levied on any payments (whether in respect of principal, interest or otherwise) in respect of any Notes, the Issuer shall, subject to its right to redeem such Notes in terms of Condition 7.4, make such payments after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted. The Issuer will not be obliged to make any additional payments to Noteholders in respect of such withholding or deduction.

### 10 **UNDERTAKINGS OF THE ISSUER**

#### 10.1 **Comply with obligations**

The Issuer undertakes that it will comply in all material respects with the obligations imposed on it in terms of the Series Transaction Documents to which it is a party.

## 10.2 **Positive undertakings**

The Issuer undertakes that it shall -

- 10.2.1 (*Accounting Records*) prepare proper and adequate Accounting Records and lodge returns in accordance with generally accepted accounting practice or IFRS or such other accounting practice and the Companies Act;
- 10.2.2 (*accounts*) provide to the Security SPV its Accounting Records for each financial year within 120 (one hundred and twenty) days of the end of that financial year;
- 10.2.3 (*other information*) promptly give to the Security SPV such information relating to the financial condition or operations of the Issuer as the Security SPV may from time to time reasonably request, except for such information the disclosure of which would contravene Applicable Law or render the Issuer in breach of any confidentiality obligation;
- 10.2.4 (*Taxes*) pay all Taxes (other than Taxes disputed by the Issuer in good faith) when due;
- 10.2.5 (*Event of Default*) notify the Security SPV and the Rating Agency of the occurrence of any Event of Default, as soon as it becomes aware of it;
- 10.2.6 (*separate entity*) always hold itself out as an entity which is separate from any other entity or group of entities, and correct any misunderstanding known to the Issuer regarding its separate identity; and
- 10.2.7 (*notification to Rating Agency*) notify the Rating Agency prior to a new Programme Memorandum or a supplement to this Programme Memorandum being issued by the Issuer.

## 10.3 **Negative undertakings**

The Issuer undertakes that it shall not, except as permitted under any Series Transaction Document or otherwise with the prior written consent of the Security SPV -

- 10.3.1 (*negative pledge*) create or permit to subsist any Encumbrance (unless arising by operation of law) upon the whole or any part of the Series Assets, present or future, save for any Encumbrance upon the Series Assets pursuant to the Series Security Agreements;
- 10.3.2 (*disposal of assets*) transfer, sell, exchange, realise, alienate, lend, part with or otherwise dispose of, or deal with, or grant any right of first refusal, option or present or future right to acquire any of its assets or any interest, right, title or benefit therein, save as in accordance with any Series Transaction Document;
- 10.3.3 (*winding-up*) cause itself to be voluntarily wound-up or placed under supervision by a business rescue practitioner;

- 10.3.4            (*restrictions on activities*) engage in any activity which is not in terms of or necessarily incidental to any of the activities which the Series Transaction Documents provide or envisage that the Issuer will engage in;
- 10.3.5            (*shares*) issue any further shares or repurchase shares, except those Preference Shares created pursuant to the Series Transaction Documents which -
  - 10.3.5.1            have no rights which conflict with the rights of Noteholders; and
  - 10.3.5.2            are subordinated in all respects to the rights of Noteholders;
- 10.3.6            (*dividends*) authorise the payment of, or pay, any dividend or other distribution to its shareholders, except any preference dividend, and any Tax thereon, payable in accordance with the Priority of Payments and pursuant to the Series Transaction Documents;
- 10.3.7            (*Bank Accounts*) open or operate any bank accounts, other than the Series Transaction Account opened in terms of the Series Transaction Documents;
- 10.3.8            (*Derivative Contracts*) enter into any Derivative Contract, unless the Derivative Counterparty meets the Rating Agency hedging criteria from time to time;
- 10.3.9            (*no payment*) make or attempt or purport to make any payment in respect of a Note or other amount owing prior to the date on which the payment is due for payment in terms of the Priority of Payments;
- 10.3.10           (*borrowings*) raise or incur any obligation, whether as principal or surety, for the payment or repayment of money, whether present or future, actual or contingent, other than as envisaged in the Series Transaction Documents;
- 10.3.11           (*other financial accommodation*) grant any guarantee or other assurance whatsoever against financial loss or allow any such guarantee or assurance to be outstanding in connection with any money borrowed or raised by any person other than as part of the Issuer's Business;
- 10.3.12           (*general acts*) do any of the following things -
  - 10.3.12.1           register any transfer of shares in its issued share capital;
  - 10.3.12.2           amend its memorandum of incorporation;
  - 10.3.12.3           engage any employees;
  - 10.3.12.4           have or acquire any subsidiaries;
  - 10.3.12.5           occupy any premises;
- 10.3.13           (*Series Transaction Documents*)
  - 10.3.13.1           cancel or amend any Series Transaction Documents;



- 10.3.13.2 grant a waiver in respect of any Series Transaction Document;
- 10.3.13.3 discharge or release any person from their obligations under any Series Transaction Document if that person has not performed its obligations in full;
- 10.3.13.4 novate or assign any Series Transaction Document;
- 10.3.13.5 cede any of its rights or delegate any of its obligations under any Series Transaction Document; or
- 10.3.14 (*other transactions*) enter into any document, agreement or arrangement other than in terms of the Series Transaction Documents.
- 10.4 In giving any consent to the foregoing, a Security SPV may require the Issuer to make such modifications or additions to the Terms and Conditions and/or to the provisions of any of the Series Transaction Documents (subject to Condition 18) or may impose such other conditions or requirements as the Security SPV may deem expedient (in its absolute discretion) in the interests of the Secured Creditors, including the Noteholders. The Issuer shall furnish the Rating Agency with written notice of the proposed action.

## 11 EVENTS OF DEFAULT

- 11.1 An Event of Default will occur should -
  - 11.1.1 in the case of interest bearing Notes -

the Issuer fail to pay any amount, whether in respect of interest or principal or otherwise, due and payable in respect of any Notes within 10 (ten) Business Days of the due date for the payment in question (or such other period as specified in the Applicable Supplement); or
  - 11.1.2 in the case of non-interest bearing Notes -

the Issuer fail to pay within 3 (three) Business Days from the due date (or such other period as specified in the Applicable Supplement), any amount due in respect of any of the Notes; or
  - 11.1.3 the Issuer fail duly to perform or observe any other obligation binding on it under the Notes, these Terms and Conditions or any of the other Series Transaction Documents (irrespective of the materiality of such breach or obligation), which breach is not remedied within 30 (thirty) days after receiving written notice from either the Security SPV or the counterparty to the relevant agreement requiring such breach to be remedied and the Security SPV has certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders; or
  - 11.1.4 the Issuer cease to be wholly owned by the Issuer Owner Trust without the prior written consent of the Security SPV; or
  - 11.1.5 an Issuer Insolvency Event occur; or

- 11.1.6 any procedural step be taken by the Issuer (including application, proposal or convening a meeting) with a view to a compromise or arrangement with any creditors generally or any significant class of creditors; or
- 11.1.7 the Security Interests in favour of the Security SPV pursuant to any of the Series Security Agreements become unenforceable for any reason whatsoever (or be reasonably claimed by such Security SPV not to be in full force or effect) or should the grant to the Security SPV of a first priority Security Interest in respect of the Series Assets provided in security cease or should the Series Guarantee be or become unenforceable; or
- 11.1.8 it be or become unlawful for the Issuer to perform any of its obligations under the Series Transaction Documents and the Security SPV has certified to the Issuer that such event is, in its opinion, materially prejudicial to the interests of the Noteholders; or
- 11.1.9 any consent, license, permit or authorisation required by the Issuer for the conduct of its business be revoked, withdrawn, materially altered or not renewed and such situation not be remedied within 14 (fourteen) days after the Issuer and/or the Administrator have been given written notice requiring the applicable consent, licence, permit or authorisation to be obtained; or
- 11.1.10 the Issuer alienate or Encumber any of the Series Assets (other than as provided for in the Series Transaction Documents) without the prior written consent of the Security SPV; or
- 11.1.11 the Issuer cease to carry on its business in a normal and regular manner or materially change the nature of its business, or through an official act of the board of directors of the Issuer, threatens to cease to carry on business.
- 11.2 If an Event of Default occurs -
  - 11.2.1 the Administrator will forthwith inform the Security SPV, the JSE (in respect of listed Notes) and the Rating Agency;
  - 11.2.2 the Security SPV will, as soon as such Event of Default comes to its notice (whether as a result of having been informed by the Administrator thereof pursuant to Condition 11.2.1 or otherwise), forthwith call a meeting of the Controlling Class of Noteholders;
  - 11.2.3 all the Notes will become immediately due and payable if at such meeting, the Controlling Class of Noteholders so decide, by Extraordinary Resolution.
- 11.3 If the Controlling Class of Noteholders decide that the Notes shall become immediately due and payable, the Controlling Class of Noteholders will notify the Issuer and the Security SPV accordingly.
- 11.4 If the Controlling Class of Noteholders decide that the Notes will become immediately due and payable as contemplated in Condition 11.2.3, the Security SPV will, by written notice to the Issuer (an "**Enforcement Notice**"),

declare the Notes and any amounts owing under any other Series Transaction Document, to be immediately due and payable, and require the Outstanding Principal Amount of the Notes, together with any accrued interest thereon, and the amounts owing under any other Series Transaction Document, to be forthwith paid or repaid, to the extent permitted by and in accordance with the Post-Enforcement Priority of Payments. The Issuer shall forthwith do this, failing which the Security SPV may take all necessary steps, including legal proceedings, to enforce the rights of the Noteholders of that Series and other Secured Creditors set out in, and the security given therefor in terms of, these Terms and Conditions and the other Series Transaction Documents, subject always to the provisions of the Post-Enforcement Priority of Payments. Should the Security SPV fail to deliver the Enforcement Notice within 10 (ten) Business Days of being called upon to do so by the Controlling Class of Noteholders, the notification by the Controlling Class of Noteholders to the Issuer in accordance with Condition 11.3 shall constitute delivery of the Enforcement Notice.

11.5 A Security SPV will not be required to take any steps to ascertain whether any Event of Default has occurred or to monitor or supervise the observance and performance by the Issuer of its obligations under the Terms and Conditions and the other Series Transaction Documents and until such Security SPV has actual knowledge or has been served with express notice thereof it shall be entitled to assume that no such Event of Default has taken place.

11.6 If the Notes become immediately due and payable following delivery of an Enforcement Notice, they will be redeemed and paid strictly in accordance with the Post-Enforcement Priority of Payments. If the Issuer has insufficient available funds to redeem all the Notes in full, the Notes will be redeemed, in reducing order of rank in the Post-Enforcement Priority of Payments, in each case *pro rata* to their Outstanding Principal Amount.

## 12 ENFORCEMENT, SUBORDINATION AND NON-PETITION

12.1 Each Noteholder under a Series agrees that its claims against the Issuer and the Security SPV are subordinated for the benefit of other Secured Creditors in accordance with the Priority of Payments. The Issuer will not be obliged to make payment of, and Noteholders will not be entitled to receive payment of, any amount due and payable by the Issuer under the Notes, except in accordance with the Priority of Payments, unless and until all amounts required to be paid or provided for in terms of the Priority of Payments in priority thereto have been paid, provided for or discharged in full, and then only to the extent that there are available funds in the Priority of Payments for that purpose. Should the Issuer fail to pay all or part of any amount then due and payable by it to the Noteholders on any date, as a result of lack of available funds for that purpose in terms of the Priority of Payments -

12.1.1 the Issuer will not be in default of its obligations under the Notes (other than a failure to pay amounts due and payable to the Controlling Class of Noteholders, which shall constitute an Event of Default in accordance with Condition 11.1.1);

12.1.2 the unpaid amount will not bear penalty interest; and

- 12.1.3 payment of the unpaid amount will be deferred to the following date upon which there are available funds to make such payment in terms of the Priority of Payments applicable on such date.
- 12.2 Notwithstanding any other provision of any Series Transaction Document, the obligation of the Issuer to make payment to the Noteholders is limited to the lesser of -
- 12.2.1 the amounts owing to the Noteholders; and
- 12.2.2 the aggregate of the actual amount recovered and available for distribution from the Series Assets of the Issuer to such Noteholders,
- and the payment of such amount that is available for distribution to the Noteholders in accordance with the Priority of Payments will constitute fulfilment of the Issuer's obligations to make payment to the Noteholders. Once all the Series Assets of the Issuer have been extinguished, each Noteholder under that Series abandons all claims it may have against the Issuer in respect of amounts still owing to it but unpaid, and the Issuer's liability to the Noteholders shall be completely discharged.
- 12.3 It is recorded that as security for the due, proper and timeous fulfilment by the Issuer of all its obligations under the Notes, the Security SPV has executed the Series Guarantee in favour of the Secured Creditors (including the Noteholders). Each Noteholder expressly accepts the benefits of the Series Guarantee and acknowledges the limitations on its rights of recourse in terms of such Series Guarantee.
- 12.4 Subject to the provisions of Condition 12.6, each Noteholder agrees that only the Security SPV may enforce the security created in favour of the Security SPV by the Series Security Agreements in accordance with the provisions of the Series Security Agreements and the Series Transaction Documents.
- 12.5 The rights of Noteholders against the Issuer will be limited to the extent that the Noteholders will not be entitled to take any action or proceedings against the Issuer to recover any amounts payable by the Issuer to them under or in connection with the Notes (including not levying or enforcing any attachment or execution upon the assets of the Issuer), and all rights of enforcement will be exercised in accordance with the provisions of the Series Guarantee, provided that -
- 12.5.1 If the Security SPV is entitled and obliged to enforce its claim against the Issuer pursuant to the Series Indemnity but fails to do so within 60 (sixty) Business Days of being called upon to do so by any Secured Creditor (other than a Noteholder) or by an Extraordinary Resolution of the Controlling Class of Noteholders; or
- 12.5.2 if the Security SPV is wound-up, liquidated, de-registered or placed under supervision by a business rescue practitioner (in each case whether voluntarily or compulsorily, provisionally or finally) or if the Series Guarantee and/or Series Indemnity are not enforceable (as finally determined by a judgment of a court of competent jurisdiction after all rights of appeal and review have been exhausted or as agreed by the

Security SPV, the Noteholders (by way of Extraordinary Resolution of the Controlling Class of Noteholders) and other Secured Creditors),

then Noteholders will be entitled to take action themselves to enforce their claims directly against the Issuer if an Event of Default occurs.

- 12.6 The Noteholders will not, until 1 (one) year following payment of all amounts outstanding under each Series and all the other Series Transaction Documents, institute, or join with any person in instituting or vote in favour of, any steps or legal proceedings for the winding-up, liquidation, de-registration, supervision by a business rescue practitioner, or any compromise or scheme of arrangement or related relief in respect of -
- 12.6.1 the Issuer or for the appointment of a liquidator, business rescue practitioner or similar officer of the Issuer, provided that nothing in this clause will limit the Security SPV from taking such action, in the event that the Security SPV is unable (whether due to practical or legal impediments which in the reasonable opinion of the Security SPV are not of a temporary nature) to enforce the Series Security Agreements; or
- 12.6.2 the Security SPV or for the appointment of a liquidator, business rescue practitioner or similar officer of the Security SPV.
- 12.7 Without prejudice to the foregoing provisions of this Condition 12, each Noteholder undertakes to the Issuer and the Security SPV that if any payment is received by it other than in accordance with the Priority of Payments in respect of amounts due to it by the Issuer and/or that Security SPV, the amount so paid will be received and held by such Noteholder as agent for the Issuer and/or the Security SPV, as the case may be, and will be paid to the Issuer and/or the Security SPV, as the case may be, immediately on demand.
- 12.8 The Security SPV acknowledges that it holds the security created pursuant to the Series Security Agreements to be distributed, on enforcement of the Series Security Agreements, in accordance with the provisions of the Priority of Payments.
- 12.9 Each Noteholder undertakes that it will not set off or claim to set off any amounts owed by it to the Issuer or the Security SPV against any amount owed to it by the Issuer or the Security SPV.
- 12.10 Notwithstanding the provisions of the preceding sub-Conditions, in the event of a liquidation or a winding-up of the Issuer or the Security SPV or of the Issuer or the Security SPV being placed under supervision by a business rescue practitioner, Secured Creditors ranking prior to others in the Priority of Payments will be entitled to receive payment in full from the assets of the Issuer of amounts due and payable to them, before other Secured Creditors that rank after them in the Priority of Payments receive any payment of amounts owing to them.
- 12.11 In order to ensure the fulfilment of the provisions of the Priority of Payments in the event of a liquidation or a winding-up of the Issuer or the Issuer being placed under supervision by a business rescue practitioner, each Noteholder agrees that in the event of a liquidation or winding-up of the Issuer or of the Issuer being placed under supervision by a business rescue practitioner, it will recover all amounts due and payable by the Issuer to such Noteholder in

accordance with the provisions of the Series Guarantee. The Security SPV will, in turn, make a claim in the winding-up, liquidation or business rescue proceedings of the Issuer pursuant to the Series Indemnity and, out of any amount recovered in such proceedings, pay the Secured Creditors in accordance with the Post-Enforcement Priority of Payments.

12.12 In the event that the Security SPV fails, for whatever reason, to make a claim in the liquidation, winding-up or business rescue proceedings of the Issuer pursuant to the Series Indemnity or should the liquidator or business rescue practitioner not accept a claim tendered for proof by the Security SPV pursuant to the Series Indemnity, then each Noteholder will be entitled to lodge such claims itself but each Noteholder agrees that -

12.12.1 any claim made or proved by a Noteholder in the liquidation, winding-up or business rescue proceedings in respect of amounts owing to it by the Issuer will be subject to the condition that no amount will be paid in respect thereof to the extent that the effect of such payment would be that the amount payable to the Secured Creditors that rank prior to it in terms of the Post-Enforcement Priority of Payments would be reduced; and

12.12.2 if the liquidator or business rescue practitioner does not accept claims proved subject to the condition contained in Condition 12.12.1 then each Secured Creditor will be entitled to prove its claims against the Issuer in full, on the basis that any liquidation dividend payable to it is paid to the Security SPV for distribution in accordance with the Post-Enforcement Priority of Payments.

12.13 Nothing in these Terms and Conditions limits -

12.13.1 the exercise of any right or power by a Security SPV under the Series Security Agreements and/or the Series Indemnity;

12.13.2 the entitlement of a Security SPV to levy or enforce any attachment or execution upon the Series Assets of the Issuer;

12.13.3 any Secured Creditor from obtaining or taking any proceedings to obtain an interdict, *mandamus* or other order to restrain any breach of any Series Transaction Document by any party;

12.13.4 any Secured Creditor from obtaining or taking any proceedings to obtain declaratory relief in relation to any provision of any Series Transaction Document in relation to any party; or

12.13.5 the exercise by any Derivative Counterparty under a Derivative Contract of rights of netting or set-off, where such rights are explicitly provided for in accordance with the terms of the relevant Series Transaction Document.

### 13 **BENEFITS**

13.1 The Terms and Conditions, insofar as they confer benefits on any Secured Creditor (other than a Noteholder), comprise a stipulation for the benefit of such Secured Creditor and will be deemed to be accepted by each such

Secured Creditor upon execution of the Common Terms Agreement by each such Secured Creditor.

- 13.2 Each Noteholder, upon its subscription for Notes and the issue of Notes to it, or upon the transfer of Notes to it, as the case may be, accepts the benefits of those provisions of the Common Terms Agreement which confer benefits on the Noteholders.
- 13.3 It is recorded that a Security SPV, upon signing the Guarantee, is deemed to have notice of the Terms and Conditions, and that Security SPV shall be bound by those provisions of the Terms and Conditions which confer rights and/or impose obligations on that Security SPV.

#### 14 EXCHANGE OF BENEFICIAL INTERESTS AND REPLACEMENT OF NOTES

##### 14.1 Exchange

- 14.1.1 The holder of a Beneficial Interest in Notes may, in terms of the Applicable Procedures and subject to section 42 of the Financial Markets Act, by written notice to the holder's nominated Participant (or, if such holder is a Participant, the Central Securities Depository), request that such Beneficial Interest be exchanged for Notes in definitive form represented by an Individual Certificate (the "**Exchange Notice**"). The Exchange Notice shall specify (i) the name, address and bank account details of the holder of the Beneficial Interest and (ii) the day on which such Beneficial Interest is to be exchanged for an Individual Certificate; provided that such day shall be a Business Day and shall fall not less than 30 (thirty) days after the day on which such Exchange Notice is given ("**Exchange Date**").
- 14.1.2 The holder's nominated Participant will, following receipt of the Exchange Notice, through the Central Securities Depository, notify the Transfer Agent that it is required to exchange such Beneficial Interest for Notes represented by an Individual Certificate. The Transfer Agent will, as soon as is practicable but within 14 (fourteen) days after receiving such notice, in accordance with the Applicable Procedures, procure that an Individual Certificate is prepared, authenticated and made available for delivery, on a Business Day falling within the aforementioned 14 (fourteen) day period, to the holder of the Beneficial Interest at the Specified Office of the Transfer Agent; provided that joint holders of a Beneficial Interest shall be entitled to receive only one Individual Certificate in respect of that joint holding, and delivery to one of those joint holders shall be delivery to all of them.
- 14.1.3 In the case of the exchange of a Beneficial Interest in Notes issued in uncertificated form -
- 14.1.3.1 the Central Securities Depository's Nominee shall, prior to the Exchange Date, surrender (through the Central Securities Depository system) such Uncertificated Notes to the Transfer Agent at its Specified Office; and
- 14.1.3.2 the Transfer Agent will obtain the release of such Uncertificated Notes from the Central Securities Depository in accordance with the Applicable Procedures.

14.1.4 An Individual Certificate shall, in relation to a Beneficial Interest in any number of Notes issued in uncertificated form of a particular aggregate Principal Amount standing to the account of the holder thereof, represent that number of Notes of that aggregate Principal Amount, and shall otherwise be in such form as may be agreed between the Issuer and the Transfer Agent; provided that if such aggregate Principal Amount is equivalent to a fraction of ZAR1 000 000 or a fraction of any multiple thereof, such Individual Certificate shall be issued in accordance with, and be governed by, the Applicable Procedures.

#### 14.2 **Costs**

Certificates shall be provided (whether by way of issue, delivery or exchange) by the Issuer without charge, save as otherwise provided in these Terms and Conditions. Separate costs and expenses relating to the provision of Certificates or the transfer of Notes may be levied by other persons, such as the Participant, under the Applicable Procedures and such costs and expenses shall not be borne by either the Issuer or the Administrator or the Transfer Agent. The costs and expenses of delivery of Certificates by a method other than ordinary post (if any) and, if the Issuer shall so require, taxes or governmental charges or insurance charges that may be imposed in relation to such mode of delivery shall be borne by the Noteholder.

#### 14.3 **Replacement**

If any Certificate is mutilated, defaced, stolen, destroyed or lost it may be replaced at the office of the Transfer Agent on payment by the claimant of such costs and expenses as may be incurred in connection therewith and against the furnishing of such indemnity as the Transfer Agent may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

#### 14.4 **Death and sequestration or liquidation of Noteholder**

Any person becoming entitled to Notes in consequence of the death, sequestration or liquidation of the relevant Noteholder may, upon producing evidence to the satisfaction of the Issuer that he holds the position in respect of which he proposes to act under this paragraph or of his title, require the Transfer Agent to register such person as the holder of such Notes or, subject to the requirements of this Condition, to transfer such Notes to such person.

### 15 **TRANSFER OF NOTES**

15.1 Beneficial Interests in the Notes may be transferred in terms of the Applicable Procedures through the Central Securities Depository.

15.2 The Central Securities Depository maintains accounts only for its Participants. Beneficial Interests which are held by Participants (which are also Settlement Agents) may be held directly through the Central Securities Depository. Participants are in turn required to maintain securities accounts for their clients. Beneficial Interests which are not held by Participants may be held by clients of Participants indirectly through such Participants.



- 15.3 Transfers of Beneficial Interests to and from clients of Participants occur, in terms of existing law and practice, by way of electronic book entry in the securities accounts maintained by the Participants for their clients. Transfers of Beneficial Interests among Participants occur through electronic book entry in the securities accounts maintained by the Central Securities Depository for the Participants. Such transfers of Beneficial Interests will not be recorded in the Register and the Central Securities Depository's Nominee will continue to be reflected in the Register as the Noteholder notwithstanding such transfers. Beneficial Interests may be transferred only in accordance with these Terms and Conditions, and the Applicable Procedures.
- 15.4 In order for any transfer of Notes represented by a Certificate to be recorded in the Register, and for such transfer to be recognised by the Issuer -
- 15.4.1 the transfer of such Notes must be embodied in the Transfer Form;
- 15.4.2 the Transfer Form must be signed by the registered Noteholder and the transferee, or any authorised representative of that registered Noteholder and/or transferee;
- 15.4.3 shall only be in respect of minimum denominations equal to or greater than ZAR1 000 000; and
- 15.4.4 the Transfer Form must be delivered to the Transfer Agent at its Specified Office, together with the Certificate for cancelation.
- 15.5 Subject to the preceding provisions of this Condition 15, the Transfer Agent will, within 3 (three) Business Days of receipt by it of a valid Transfer Form (or such longer period as may be required to comply with any applicable fiscal or other laws, regulations), record the transfer of Notes represented by a Certificate in the Register, and authenticate and deliver to the transferee at the Transfer Agent's Specified Office to the transferee or, at the risk of the transferee, send by mail to such address as the transferee may request, a new Certificate in respect of such Notes reflecting the same Outstanding Principal Amount as the Notes transferred. Where a Noteholder has transferred part only of his holding of Notes represented by a Certificate, the Transfer Agent will authenticate and deliver to such Noteholder at the Transfer Agent's Specified Office or, at the risk of such Noteholder, send by mail to such address as such Noteholder may request, a new Certificate in respect of the balance of the Notes held by such Noteholder.
- 15.6 The transferor of any Notes represented by a Certificate will be deemed to remain the owner thereof until the transferee is registered in the Register as the holder thereof.
- 15.7 Before any transfer of any Notes is registered, all relevant transfer taxes (if any) must have been paid by the transferor and/or the transferee and such evidence must be furnished as the Transfer Agent reasonably requires as to the identity and title of the transferor and the transferee.
- 15.8 No transfer of any Notes will be registered while the Register is closed as contemplated in Condition 16.
- 15.9 If a transfer is registered, the Transfer Form and cancelled Certificate will be retained by the Transfer Agent.

## 16 REGISTER

- 16.1 The Register shall be kept at the Specified Office of the Transfer Agent. The Register shall contain the name, address and bank account details of the registered Noteholders. The Register shall set out the Principal Amount of the Notes issued to any Noteholder and shall show the date of such issue and the date upon which the Noteholder became registered as such. The Register shall show the serial numbers of the Certificates issued. The Register shall be open for inspection during the normal business hours of the Transfer Agent to any Noteholder or any person of proven identity authorised in writing by any Noteholder, at no charge to such Noteholder or authorised person. The Issuer and the Transfer Agent will not be bound to enter any trust into the Register or to take any notice of or to accede to the execution of any trust (express, implied or constructive) to which any Note may be subject.
- 16.2 The Register will, in respect of a Tranche of Notes, be closed during the Books Closed Period preceding each Interest Payment Date and Redemption Date, as the case may be, from 17h00 (Johannesburg time) on the Last Day to Register or such other Books Closed Period as is specified in the Applicable Pricing Supplement. All periods referred to for the closure of the Register may be shortened by the Issuer from time to time, upon notice thereof to the Noteholders in accordance with Condition 17.
- 16.3 The Transfer Agent shall alter the Register in respect of any change of name, address or bank account number of any of the Noteholders of which it is notified in accordance with Condition 17.

## 17 NOTICES

- 17.1 All notices (including all demands or requests under the Terms and Conditions) to the Noteholders will be valid if -
- 17.1.1 mailed by registered post or delivered by hand to their addresses appearing in the Register or published in a leading English language daily newspaper of general circulation in the RSA; and
- 17.1.2 for so long as Notes are listed on the Interest Rate Market of the JSE, published in a daily newspaper of general circulation in Johannesburg, which newspapers are respectively expected to be the Business Day and The Star (or their respective successors) and on the JSE Securities Exchange News Service.
- 17.2 Each such notice will be deemed to have been given on the day of first publication or delivery by hand or on the 14<sup>th</sup> (fourteenth) day after the day on which it is mailed, as the case may be.
- 17.3 For so long as the Notes are held in their entirety by the Central Securities Depository, there may be substituted for publication as contemplated in clauses 17.1.1 and 17.1.2 the delivery of the relevant notice to the Central Securities Depository's Nominee, the Participants and the JSE (in respect of listed Notes) for communication by them to the holders of Beneficial Interests in Notes, in accordance with the Applicable Procedures which in the case of the JSE will include publication on the JSE Securities Exchange News Service.

- 17.4 Where any provision of these Terms and Conditions requires notice to be given to the Noteholders of any matter other than a meeting of Noteholders, such notice will be given, *mutatis mutandis*, as set out in Conditions 17.1 and 17.3, respectively, subject to compliance with any other time periods prescribed in the provision concerned.
- 17.5 All notices (including communications, demands and/or requests under the Terms and Conditions) to be given by any Noteholder to the Issuer, the Security SPV or the Transfer Agent, as the case may be, shall be in writing and given by delivering the notice, by hand or by registered post, together with a certified copy of the relevant Individual Certificate, to the Specified Office of the Issuer, the Security SPV or the Transfer Agent, as the case may be, and marked for the attention of the chief executive officer, with a copy sent by hand or by registered post to the Specified Office of the Calculation Agent and marked for the attention of the chief executive officer. Any notice to the Issuer, the Security SPV or the Transfer Agent, as the case may be, will be deemed to have been received by the Issuer, the Security SPV or the Transfer Agent, as the case may be, on the 2<sup>nd</sup> (second) Business Day after being delivered by hand to the Specified Office of the Issuer, that Security SPV or the Transfer Agent, as the case may be, or on the 14<sup>th</sup> (fourteenth) day after the day on which it is mailed by registered post to the Specified Office of the Issuer, the Security SPV or the Transfer Agent, as the case may be.

## 18 **AMENDMENT OF THE TERMS AND CONDITIONS AND THE PRIORITY OF PAYMENTS**

- 18.1 Subject to Condition 18.6, the Issuer and the Security SPV may effect, without the consent of any Noteholder, any amendment to these Terms and Conditions and/or the Priority of Payments which is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law of the RSA. Any such amendment will be binding on Noteholders and such amendment will be notified to Noteholders in accordance with Condition 17 as soon as practicable thereafter.
- 18.2 The Issuer and the Security SPV may amend these Terms and Conditions and/or the Priority of Payments by written agreement, subject to the following provisions of this Condition 18.
- 18.3 Subject to Condition 18.1, any amendment to the Terms and Conditions and/or the Priority of Payments may be made only with the prior authorisation of (i) an Extraordinary Resolution of all of the Noteholders or (ii) an Extraordinary Resolution of that Class (or those Classes) of Noteholders affected by such amendment, as the case may be.
- 18.4 Accordingly, if any proposed amendment to the Terms and Conditions and/or the Priority of Payments is to be made, the Security SPV will call a meeting of all of the Noteholders or a meeting of that Class of Noteholders or separate meetings of each of those Classes of Noteholders, as the case may be. Such meeting or meetings will be regulated by the provisions set out in Condition 22 and no proposed amendment will be made to the Terms and Conditions and/or the Priority of Payments until such amendment has been approved by Extraordinary Resolution at such meeting or meetings.
- 18.5 If there is any conflict between the Extraordinary Resolution(s) passed or not passed, as the case may be, by any Class of Noteholders in terms of

Condition 18.3, the Extraordinary Resolution(s) passed by the Controlling Class of Noteholders will prevail.

- 18.6 Notwithstanding Condition 18.3, any amendment to these Terms and Conditions and/or the Priority of Payments which, in the reasonable opinion of the Security SPV, may materially prejudice the rights, under these Terms and Conditions and/or the Priority of Payments, of a Secured Creditor (other than a Noteholder) must be made with the prior written consent of such Secured Creditor.
- 18.7 Subject to Condition 18.3, no amendment to these Terms and Conditions and/or any of the other Series Transaction Documents may be made unless the Security SPV grants its prior written approval for such amendment.
- 18.8 Noteholders will be notified of any amendments to these Terms and Conditions and/or the Priority of Payments in accordance with Condition 17.

## 19 **CONSENT OF THE SECURITY SPV**

- 19.1 Where in any Series Transaction Document provision is made for the consent to be given by the Security SPV, unless expressly stated otherwise, such consent -
- 19.1.1 may be given (conditionally or unconditionally) or withheld in the discretion of such Security SPV; provided that, in exercising such discretion, such Security SPV shall act in what it reasonably believes to be in the best interests of Secured Creditors and, if (in giving or withholding the consent) the interests of any one category of Secured Creditors conflict with those of another category of Secured Creditors, such Security SPV shall act in what it reasonably believes to be in the interests of the Controlling Class of Noteholders (or failing any Noteholders, in the best interests of the category of Secured Creditors ranking highest in the Priority of Payments); or
- 19.1.2 shall be given or withheld within a reasonable period of time and, if not given or withheld within such reasonable period of time, shall be deemed to have been withheld.
- 19.2 Where in any Series Transaction Document it is provided that the Issuer and/or the Security SPV is required to act, form an opinion, give consent, or exercise a right or discretion "reasonably" or to not act "unreasonably" (collectively "acted"), or is constrained by words to similar effect, and any other party disputes that the Issuer or the Security SPV, as the case may be, has acted reasonably or asserts that it has acted unreasonably, then, pending a final resolution of such dispute, all parties (including the party which raised the dispute) shall nevertheless in all respects continue to perform their obligations under the relevant Series Transaction Document, and/or to give effect to its provisions, including provisions relating to the termination thereof, as if the Issuer or the Security SPV, as the case may be, had acted reasonably or had not acted unreasonably, as the case may be.
- 19.3 Without derogating from any express provision in any Series Transaction Document and without limiting any of the rights, powers and/or discretions of the Security SPV, the Security SPV will not be required to exercise any right, power or discretion in terms of the Series Transaction Documents without the

specific written instructions of an Extraordinary Resolution of the Controlling Class of Noteholders or, if there are no Noteholders, then without the specific written instructions of the Secured Creditors ranking highest in the Priority of Payments at that time.

## 20 **NO VOTING RIGHTS ON NOTES HELD BY THE ISSUER**

The Issuer will not have any voting rights on any Notes held by it.

## 21 **PRESCRIPTION**

Any claim for payment of principal and/or interest in respect of the Notes will prescribe 3 (three) years after the date on which such payment first becomes due and payable in accordance with the Priority of Payments.

## 22 **MEETINGS OF NOTEHOLDERS**

*The provisions set out in this Condition 22 will apply to meetings of Noteholders in respect of each Series and should be interpreted and construed as being applicable to the meetings of Noteholders of each separate Series.*

### 22.1 **Directions of Noteholders**

22.1.1 The provisions with regard to meetings of Noteholders are set out in this Condition 22. The provisions of this Condition 22 will apply, *mutatis mutandis*, to each separate meeting of each Class of Noteholders.

22.1.2 Every director, the secretary of and the attorney to the Issuer, the Security SPV and every other person authorised in writing by the Issuer or the Security SPV, may attend and speak at a meeting of Noteholders, but will not be entitled to vote, other than as a Noteholder or proxy or duly authorised representative of a Noteholder.

22.1.3 Subject to Condition 22.1.5, a meeting of Noteholders will have power, in addition to all powers specifically conferred elsewhere in the Terms and Conditions -

22.1.3.1 by Ordinary Resolution of the Controlling Class of Noteholders to give instructions to the Security SPV or the Issuer in respect of any matter not covered by the Terms and Conditions or the other Series Transaction Documents (but without derogating from the powers or discretions expressly conferred upon the Issuer or the Security SPV by the Terms and Conditions or the other Series Transaction Documents or imposing obligations on the Issuer or the Security SPV not imposed or contemplated by the Terms and Conditions or the other Series Transaction Documents or otherwise conflicting with or inconsistent with the provisions of the Terms and Conditions and the other Series Transaction Documents); and

22.1.3.2 by Extraordinary Resolution -

22.1.3.2.1 of the Controlling Class of Noteholders to bind all of the Noteholders to any compromise or arrangement; and

22.1.3.2.2 of a particular Class of Noteholders to agree to any variation or modification of any of the rights of that Class of Noteholders.

22.1.4 Unless otherwise specified, resolutions of Noteholders or any Class of Noteholders will require an Ordinary Resolution to be passed. Subject to Condition 18, if there is any conflict between the resolutions passed by any Class of Noteholders, the resolutions passed by the Controlling Class of Noteholders will prevail.

22.1.5 The Security SPV will be entitled, before carrying out the directions of Noteholders in terms of this Condition, to require that it be indemnified against all expenses and liability which may be incurred and that it be provided from time to time, so far as the Security SPV may reasonably require, with sufficient monies to enable it to meet the expense of giving effect to such directions.

## 22.2 Convening of meetings

22.2.1 The Security SPV or the Issuer may at any time convene a meeting of Noteholders or separate meetings of each Class of Noteholders (a "**meeting**" or the "**meeting**").

22.2.2 The Issuer will convene (i) a meeting of Noteholders upon the requisition in writing of Noteholders holding not less than 10% of the aggregate Outstanding Principal Amount of all of the Notes or (ii) a separate meeting of any Class of Noteholders upon the requisition in writing of the Noteholders in that Class holding not less than 10% of the aggregate Outstanding Principal Amount of the Notes held by that Class, as the case may be (a "**requisition notice**").

22.2.3 Whenever the Issuer wishes to convene a meeting, it shall forthwith give notice in writing to the Noteholders and the Security SPV in the manner prescribed in Condition 17 of the place, day and hour of the meeting and of the nature of the business to be transacted at the meeting and the resolutions proposed to be considered at the meeting.

22.2.4 Whenever the Security SPV wishes or is obliged to convene a meeting it shall forthwith give notice in writing to the Noteholders and the Issuer in the manner prescribed in Condition 17, of the place, day and hour of the meeting and of the nature of the business to be transacted at the meeting and the resolutions proposed to be considered at the meeting.

22.2.5 All meetings of Noteholders shall be held in Johannesburg.

## 22.3 Requisition

22.3.1 A requisition notice will state the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting and will be deposited at the Specified Office of the Issuer.

22.3.2 A requisition notice may consist of several documents in like form, each signed by one or more requisitionists.

#### 22.4 **Convening of meetings by requisitionists**

If the Issuer or the Security SPV, as the case may be, does not convene a meeting to be held within 30 (thirty) days of the deposit of a requisition notice, the requisitionists may themselves convene the meeting, but the meeting so convened will be held within 90 (ninety) days from the date of such deposit and will be convened as nearly as possible in the same manner as that in which meetings may be convened by the Security SPV. Whenever the requisitionists are about to so convene any such meeting, requisitionists shall forthwith give notice of the meeting to the Issuer and the Security SPV.

#### 22.5 **Notice of meeting**

22.5.1 Unless the holders of at least 90% of the aggregate Outstanding Principal Amount of the Notes or the Class of Notes, as the case may be, agree in writing to a shorter period, at least 21 (twenty one) days' written notice specifying the place, day and time of the meeting and the nature of the business for which the meeting is to be held and the resolutions to be proposed and considered at the meeting, will be given to each Noteholder and to the Issuer or the Security SPV, as the case may be.

22.5.2 The accidental omission to give such notice to any Noteholder or the Security SPV or the Issuer, as the case may be, or the non-receipt of any such notice, shall not invalidate the proceedings at a meeting.

#### 22.6 **Quorum**

22.6.1 A quorum at a meeting shall -

22.6.1.1 for the purposes of considering an Ordinary Resolution, consist of Noteholders present in person or by proxy and holding in the aggregate not less than one-third of the aggregate Outstanding Principal Amount of the Notes or each Class of Notes, as the case may be;

22.6.1.2 for the purposes of considering an Extraordinary Resolution, consist of Noteholders present in person or by proxy and holding in the aggregate not less than a clear majority of the aggregate Outstanding Principal Amount of the Notes or each Class of Notes, as the case may be.

22.6.2 No business shall be transacted at a meeting of the Noteholders unless a quorum is present at the time when the meeting proceeds to business.

22.6.3 If, within 15 minutes from the time appointed for the meeting, a quorum is not present, the meeting shall, if it was convened on the requisition of Noteholders, be dissolved. In every other case the meeting shall stand adjourned to the same day in the third week thereafter, at the same time and place, or if that day is not a Business Day, the next succeeding Business Day. If at such adjourned meeting a quorum is not present the Noteholders present in person or by proxy shall constitute a quorum for the purpose of considering any resolution, including an Extraordinary Resolution.

## 22.7 **Chairman**

The Security SPV or its representative shall preside as chairman at a meeting. If the Security SPV or its representative is not present within 10 (ten) minutes of the time appointed for the holding of the meeting, the Noteholders then present shall choose one of their own number to preside as chairman.

## 22.8 **Adjournment**

22.8.1 Subject to the provisions of this Condition 22, the chairman may, with the consent of, and shall on the direction of, the meeting adjourn the meeting from time to time and from place to place.

22.8.2 No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

22.8.3 At least 14 (fourteen) days' written notice of the place, day and time of an adjourned meeting shall be given by the Security SPV to each Noteholder and the Issuer. In the case of a meeting adjourned in terms of Condition 22.6.3, the notice shall state that the Noteholders present in person or by proxy at the adjourned meeting will constitute a quorum.

## 22.9 **How questions are decided**

22.9.1 At a meeting, a resolution put to the vote will be decided on a poll.

22.9.2 In the case of an equality of votes, the chairman will not be entitled to a casting vote in addition to the vote, if any, to which he is entitled.

## 22.10 **Votes**

On a poll every Noteholder, present in person or by proxy, will be entitled to that proportion of the total votes which the aggregate Outstanding Principal Amount of the Notes held by such Noteholder bears to the aggregate Outstanding Principal Amount of all of the Notes or Class of Notes, as the case may be. In relation to joint Noteholders, the vote may be exercised only by that Noteholder whose name appears first on the Register in the event that more than one of such Noteholders is present, in person or by proxy, at the meeting.

## 22.11 **Proxies and representatives**

22.11.1 Noteholders present either in person or by proxy may vote on a poll. A Noteholder may by an instrument in writing (a "**proxy form**") signed by the Noteholder (or his duly authorised agent) or, in the case of a juristic person, signed on its behalf by a duly authorised officer of the juristic person, appoint any person (a "**proxy**" or "**proxies**") to act on his or its behalf in connection with any meeting or proposed meeting.

22.11.2 A person appointed to act as proxy need not be a Noteholder.

22.11.3 The proxy form will be deposited at the Specified Office of the Issuer or at the Specified Office of the Transfer Agent, as the case may be, not less than 24 (twenty-four) hours before the time appointed for holding the



meeting or adjourned meeting at which the person named in such proxy proposes to vote.

- 22.11.4 No proxy form will be valid after the expiration of 6 (six) months from the date named in it as the date of its execution.
- 22.11.5 Notwithstanding Condition 22.11.4, a proxy form will be valid for any adjourned meeting, unless the contrary is stated thereon.
- 22.11.6 A vote given in accordance with the terms of a proxy form will be valid notwithstanding the previous death or incapacity of the principal or revocation or amendment of the proxy form or of any of the Noteholder's instructions pursuant to which the proxy form was executed or of the authority under which the proxy form was executed or the transfer of Notes in respect of which the proxy was given, provided that no intimation in writing of such death, incapacity, revocation or amendment shall have been received by the Issuer at its Specified Office or the Transfer Agent at its Specified Office, as the case may be, more than, and that the transfer has been given effect to less than, 12 (twelve) hours before the commencement of the meeting or adjourned meeting at which the proxy is to be used.
- 22.11.7 Any Noteholder which is a juristic person may authorise any person to act as its representative in connection with any meeting or proposed meeting of Noteholders by resolution of the directors or other governing body of the juristic person. Any reference in the Terms and Conditions to a Noteholder present in person includes the duly authorised representative of a Noteholder which is a juristic person.

## 22.12 **Minutes**

- 22.12.1 A Security SPV shall cause minutes of all resolutions and proceedings of meetings to be duly entered in books to be provided by the Issuer for that purpose.
- 22.12.2 Any such minutes as aforesaid, if purporting to be signed by the chairman of the meeting at which such resolutions were passed or proceedings held or by the chairman of the next succeeding meeting, shall be receivable in evidence without any further proof, and until the contrary is proved, a meeting of Noteholders in respect of the proceedings of which minutes have been so made shall be deemed to have been duly held and convened and all resolutions passed thereat, or proceedings held, to have been duly passed and held.

## 23 **CALCULATION AGENT, TRANSFER AGENT AND PAYING AGENT**

- 23.1 The Issuer is entitled to vary or terminate the appointment of the Calculation Agent and/or the Transfer Agent and/or the Paying Agent and/or to appoint additional or other agents.
- 23.2 There will at all times be a Calculation Agent, a Transfer Agent and a Paying Agent with a Specified Office. Each of the Calculation Agent, the Transfer Agent and the Paying Agent act solely as the agents of the Issuer and do not assume any obligation towards or relationship of agency or trust for or with any Noteholders.

## 24 GOVERNING LAW

The Notes and the Terms and Conditions are governed by, and will be construed in accordance with, the laws of the RSA.

## 25 MULTIPLE ROLES

The Noteholders acknowledge and agree that Absa acts in a number of different capacities in relation to the transactions envisaged in the Series Transaction Documents. Notwithstanding such different roles -

- 25.1 Absa and any of its officers, directors and employees may become the owner of, or acquire any interest in, any Notes with the same rights that it or he would have had if it or he had not been a party to a Series Transaction Document, and may engage or be interested in any financial or other transaction with the Issuer, provided it is a transaction disclosed in any Series Transaction Document, and may act on, or as depository, trustee or agent for, any committee or body of Noteholders in connection with any other obligation of the Issuer as freely as if it or he had not so been a party to any Series Transaction Document;
- 25.2 information, knowledge or notification obtained by Absa in any one such capacity shall not be attributed to it, whether constructively or otherwise, in any other capacity; and
- 25.3 any payments made by the Issuer in accordance with the Series Transaction Documents to Absa in one capacity shall be construed as a payment to Absa only in such capacity and not in any other capacity.

## 26 RATING AGENCY

- 26.1 It is agreed and acknowledged that a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders, including, without limitation, in the case of a rating confirmation, whether an event or amendment (i) is permitted by the terms of the relevant Series Transaction Document or (ii) is in the best interests of, or prejudicial to, some or all of the Noteholders. Similarly, to the extent that the Issuer may be required to give the Rating Agency prior notice of an action it intends or proposes to take, the Rating Agency may or may not respond to such notice from the Issuer, whether timeously or at all and the fact that the Rating Agency did not respond within a time period specified by the Issuer does not necessarily imply that there may not be an impact on the rating of the Notes after the lapse of any such time period. In being entitled to have regard to the fact that the Rating Agency has confirmed that the respective current Ratings of the Notes in issue would not be adversely affected, it is expressly agreed and acknowledged by each of the Security SPV, the Noteholders and the other Secured Creditors that the above does not impose or extend any actual or contingent liability for the Rating Agency to the Security SPV, the Noteholders, the other Secured Creditors or any other person or create any legal relations between the Rating Agency and the Security SPV, the Noteholders, the other Secured Creditors or any other person whether by way of contract or otherwise.

- 26.2 Such confirmation may or may not be given at the sole discretion of the Rating Agency. Depending on the timing of delivery of the request and any information needed to be provided as part of any such request, it may be the case that the Rating Agency cannot provide rating confirmation in the time available or at all, and would not be responsible for the consequences thereof. Confirmation, if given, will be given on the basis of the facts and circumstances prevailing at the relevant time, and in the context of cumulative changes to the relevant Series of which the securities form part since the issuance closing date. A rating confirmation represents only a restatement of the opinions given, and cannot be construed as advice for the benefit of any parties in relation to a Series.

## **USE OF PROCEEDS**

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*Words used in this section entitled "Use of Proceeds" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes" and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the Series Supplement or the context otherwise requires.*

In relation to each Series, the Issuer shall use the net proceeds derived by the Issuer from the issue of Notes of that Series to -

- (1) acquire and/or invest and/or maintain the Series Assets of that Series; and/or
- (2) redeem or partially repay the Principal Amount of other Notes of that Series; and/or
- (3) for the general corporate purposes of the Issuer insofar as same relate to that Series; and/or
- (4) as may otherwise be described in the Applicable Pricing Supplement and/or the Series Supplement, as the case may be.

All proceeds derived by the Issuer from the issue of any Notes of any particular Series will only be used by the Issuer to fund the Series Liabilities of that Series.

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## SECURITY ARRANGEMENTS AND SEGREGATION

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*Words used in this section entitled "Security Arrangements" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the Series Supplement or the context otherwise requires.*

*The following incorporates a summary of certain of the provisions of the Series Guarantee, Series Indemnity and other Series Security Agreements in relation to each Series and does not purport to be complete. Accordingly, this section is qualified entirely by reference to the Series Guarantee, Series Indemnity and the Series Security Agreements of each Series. Should an alternative security structure be used in any Series, details of such alternative security structure will be set out in the relevant Series Supplement issued in relation to that Series.*

### Security Arrangements

- 1 The Notes will be obligations of the Issuer only.
- 2 Each Series Supplement sets out the Pre-Enforcement Priority of Payments, in accordance with which creditors of the Issuer (including Noteholders and other Secured Creditors) of that Series will be paid prior to the delivery of an Enforcement Notice by the Security SPV, declaring the Notes of that Series to be immediately due and payable. The Post-Enforcement Priority of Payments, set out in each Series Supplement, is applicable after the delivery of an Enforcement Notice. Amounts payable at any time to any Secured Creditor of a Series which ranks in the Priority of Payments after other Secured Creditors of that Series, will only be paid to the extent that funds are available at such time after payment has been made in full to creditors ranking higher in the Priority of Payments.
- 3 In relation to each Series, the Security SPV will bind itself under a Series Guarantee to each Secured Creditor of that Series. Pursuant to such Series Guarantee, the Security SPV will undertake in favour of each Secured Creditor of that Series to pay to it the full amount then owing to it by the Issuer, if an Event of Default should occur under the Notes of that Series or the respective Series Transaction Documents. The liability of the Security SPV pursuant to the Series Guarantee will, however, be limited in the aggregate to the net amount recovered by such Security SPV from the Issuer arising out of the Series Indemnity. Payment of amounts due by the Security SPV pursuant to the Series Guarantee will be made strictly in accordance with the Pre-Enforcement Priority of Payments of that Series prior to the delivery of an Enforcement Notice and the Post-Enforcement Priority of Payments of that Series after delivery of an Enforcement Notice, as the case may be. Performance by the Security SPV of its obligations under the Series Guarantee is subject to the provisions of the relevant Series Guarantee.
- 4 In relation to each Series, the Issuer will indemnify the Security SPV, in terms of the Series Indemnity, in respect of claims that may be made against the Security SPV arising out of the Series Guarantee. The Issuer's obligations in terms of the Series Indemnity are secured by -
  - 4.1 the relevant Series Security Agreements in terms of which, the Issuer agrees to cede and pledge it's the right, title and interest in and to the -

- 4.1.1 Series Assets owned by the Issuer from time to time; and
- 4.1.2 Series Transaction Account, the Account Monies, the Permitted Investments, the Business Proceeds and the Series Transaction Documents,

in relation to that Series.

- 5 Each Class of Notes issued under a Series will share the same Security but in the event of the delivery of an Enforcement Notice, the Notes in respect of that Series will rank in reducing order, determined by the respective Classes of such Notes, as set out in the Post-Enforcement Priority of Payments of that Series.
- 6 The Security SPV has not taken or obtained any independent legal or other advice or opinions in relation to the Issuer or any other persons or any of the Series Transaction Documents (including the Series Security Agreements) and the Security SPV has not taken on or obtained any independent legal or other advice or opinions in relation to any of the transactions contemplated by any of the Series Transaction Documents.

### **Series Segregation**

- 1 The assets and liabilities of the Issuer will be segregated into sub-sets, with each sub-set represented as separate Series. The Issuer will at any time be able to establish additional Series. The Issuer shall notify the Rating Agency (in relation to the Notes of the Series that it has rated) at least 10 Business Days prior to establishing such additional Series. The Issuer will not require the consent of Noteholders to establish such additional Series.
- 2 The Issuer will ensure that, when transacting with any person, all documents and other agreements relating to such transaction will clearly identify the Series to which such transaction relates. In addition, the Issuer will open, operate and maintain separate bank accounts in respect of each Series and the Issuer will pay all monies received by it in respect of any Series only into such bank accounts opened in relation to that Series.
- 3 Noteholders of Notes issued in respect of each Series and other Secured Creditors of such Series will have recourse only to the Series Assets of the relevant Series and will have no recourse to the assets of any other Series that the Issuer may establish.

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## **GENERAL DESCRIPTION OF THE ISSUER**

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*Words used in this section entitled "General Description of the Issuer" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes" in the Programme Memorandum, except to the extent that they are separately defined in this section or the context otherwise requires.*

### **1 INTRODUCTION**

The Issuer was incorporated and registered in South Africa on 13 November 2013, under registration number 2013/211998/06 as a public company with limited liability. The issued ordinary share capital of the Issuer comprises 10 ordinary shares held by the Issuer Owner Trust and the issued preference share capital of the Issuer comprises of one Preference Share held by the Preference Shareholder. The Issuer has no subsidiaries.

### **2 DIRECTORS**

The Directors of the Issuer are Luyolo Poswa, Brendan Harmse, Rishendrie Thanthony and Kuveshen Chetty, only one of whom is nominated by Absa. The board of directors of the Issuer is independent of Absa and any other institution within the banking group of which Absa is a member as contemplated in paragraph 4(2)(q) of the Securitisation Regulations.

### **3 REGISTERED OFFICE AND COMPANY SECRETARY**

The registered office of the Issuer is situated at 3<sup>rd</sup> Floor, 200 on Main, Cnr Main and Bowwood, Claremont, 7708. The company secretary of the Issuer is TMF Corporate Services (South Africa) Proprietary Limited (previously known as GMG Trust Company (SA) Proprietary Limited).

### **4 AUDITOR**

The current auditors of the Issuer are PriceWaterhouseCoopers.

### **5 ACTIVITIES**

The activities of the Issuer are restricted by the Series Transaction Documents and are limited to the issue of Notes, the purchase of or investment in Acquired Assets, the exercise of related rights and powers and other activities referred to in the Series Transaction Documents or reasonably incidental to such activities.

As at the date of this Programme Memorandum, save as disclosed herein and in any Series Supplement, the Issuer has no loan capital outstanding or created but unissued, no term loans outstanding and no other borrowings or indebtedness in the nature of borrowing nor any contingent liabilities or guarantees.

The Issuer is subject to Applicable Laws which may change at any time, such as the Companies Act. The Issuer shall do all things required to comply with all such Applicable Laws from time to time.

The activities of the Issuer shall be confined to those contemplated in this Programme Memorandum and each Series Supplement. The directors of the Issuer support the Code of Governance Principles set out in the King III Report (the "**Code**") and recognises the need to conduct the affairs of the Issuer with integrity and accountability.

The Issuer is an insolvency remote entity operating in accordance with the Series Transaction Documents, with no employees and no administrative infrastructure of its own. Accordingly, the Issuer does not adhere to the Code.

## 6 **FINANCIAL INFORMATION**

A complete set of the financial statements is available for inspection by investors during normal office hours at the Specified Office of the Issuer or, in the event that the Programme is listed, on the website maintained by the Administrator <http://www.absa.co.za>.



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## THE ADMINISTRATOR AND THE ADMINISTRATION AGREEMENT

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*Words in this section entitled "The Administrator and the Administration Agreement" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the relevant Series Supplement or the context otherwise requires.*

*The following incorporates a summary of certain provisions of the Administration Agreement, does not purport to be complete and is taken from, and is qualified by, the remainder of this Programme Memorandum and in relation to the Terms and Conditions of any particular Tranche of Notes, the Series Supplement and the Applicable Pricing Supplement.*

### **Overview of Absa**

Absa Bank Limited ("**Absa Bank**"), with preference shares listed on the JSE Limited, is a wholly-owned subsidiary of Barclays Africa Group Limited (the "**Group**"). Absa Bank offers a range of retail, business, corporate and investment banking, and wealth management products and services primarily in South Africa. Absa Bank (registration number 1986/004794/06) is a public company duly established and registered in South Africa as a bank in accordance with the laws of South Africa (the Companies Act and the Banks Act). Absa Bank's registered office is at 7<sup>th</sup> Floor, Barclays Towers West, 15 Troye Street, Johannesburg, 2001, and it can be contacted at +27 11 350 4000.

The Group is 62.3% owned by Barclays Bank PLC, is listed on the JSE Limited and is one of Africa's major financial services providers offering personal and business banking, credit cards, corporate and investment banking, wealth and investment management as well as bancassurance.

### **Nature of Business**

Absa Bank is one of South Africa's largest banking groups. Absa Bank contributes the majority of the Group's headline earnings.

Absa Bank's major businesses and/or divisions are described in more detail below.

The banking businesses work together to provide customers and clients the best offerings in:

- Retail Markets;
- Business Markets; and
- Corporate and Investment Banking.

Absa Bank works closely with Absa Financial Services (a member of Barclays Africa Group Limited) to offer a range of bancassurance and wealth solutions.

### **Retail Markets**

Absa Bank offers a comprehensive suite of retail banking products and services to individual customers, from those needing basic banking services to those requiring sophisticated financial solutions. Its distribution includes an extensive branch and self-

service terminal network, relationship managers, call centre agents and electronic and mobile phone channels. The focus is on providing a consistently superior experience across each of its channels, matched closely to the needs and expectations of each customer segment.

## **Business Markets**

Absa Bank offers a comprehensive range of commercial banking products and specialised services, ranging from off-the-shelf transactional products, to complex customised financial solutions for commercial customers with an annual turnover of between R20 million and R500 million and enterprise customers with an annual turnover of less than R20 million. Its commercial clients are served by dedicated sales, product and support teams, while enterprise customers have a proactive and a branch-based service offering to cater for the diverse needs of this customer segment.

### *Corporate and investment banking*

Absa Bank also offers corporate and investment banking services. Its primary business is to act as an intermediary between, and advisor to, suppliers and users of various forms of capital. The business model centres on delivering specialist corporate, investment banking, financing, risk management and advisory solutions across asset classes to corporates, financial institutions, government clients and high net worth individuals. Through its affiliation with Barclays, Absa Bank is able to deliver comprehensive international and local solutions to global and regional clients.

## **Other activities**

### *Central operations:*

In addition to the banking services described above, Absa Bank has various support functions. These divisions focus on assisting business units in achieving their goals and objectives while ensuring continued alignment with Absa Bank's corporate and financial strategies.

### *Absa Financial Services:*

Working closely with Absa Financial Services, Absa Bank is able to provide insurance, fiduciary, wealth management and non-banking-related investment products and services to retail, commercial and corporate customers.

## **Appointment and Role of the Administrator**

In relation to each Series, the Issuer will appoint the Administrator as administrator of the Issuer in respect of the day to day management of that Series upon the terms and conditions of the Administration Agreement. Accordingly, unless otherwise notified by the Issuer, the Security SPVs may rely on all information provided by the Administrator on behalf of the Issuer in connection with that Series, the Series Transaction Documents and the matters contemplated by them. Any rights or obligations of the Issuer under the Series Transaction Documents may be exercised or satisfied (as the case may be) by the Administrator on behalf of the Issuer, and each Security SPV is not obliged to enquire as to the authority of the Administrator to take such action on behalf of the Issuer.

## **Duties of the Administrator**

The duties of the Administrator include ensuring that all management, reporting, general, administrative, accounting, company secretarial and legal functions which the Issuer may require to have carried out in the ordinary course of its business are carried

out either by itself or by the Administrator, auditors, secretaries or attorneys of the Issuer from time to time.

The Administrator remains subject to the ultimate control and directions of the board of directors of the Issuer.

### **Remuneration of the Administrator**

As compensation for the role performed by the Administrator in managing the business of the Issuer in relation to each Series, the Administrator is entitled to an Administration Fee (as set out in the Administration Agreement), payable by the Issuer to the Administrator on a Payment Date to the extent permitted by, and in accordance with, the Priority of Payments of each Series.

### **Removal of the Administrator**

The appointment of the Administrator may be terminated by the Issuer (with the consent of the Security SPV) on the happening of certain events of default or insolvency events on the part of the Administrator or pursuant to a breach by the Administrator of its obligations. The Administrator is entitled to resign on no less than 12 (twelve) months written notice; provided that the resignation of the Administrator, pursuant to the terms and conditions of the Administration Agreement, shall not become effective unless a successor Administrator has been duly appointed.

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## **SETTLEMENT, CLEARING AND TRANSFERS**

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*Words used in this section entitled "Settlement, Clearing and Transfer of Notes" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the relevant Series Supplement or the context otherwise requires.*

### **Notes held in the Central Securities Depository**

#### *Clearing systems*

Each Tranche of Notes which is listed on the Interest Rate Market of the JSE and issued in uncertificated form, will be cleared through the Central Securities Depository which, as the operator of an electronic clearing system, has been appointed by the JSE to match, clear and facilitate the settlement of transactions concluded on the JSE. Each such Tranche of Notes will be issued, cleared and transferred in accordance with the Applicable Procedures and the Terms and Conditions. Each such Tranche of Notes will be settled through Participants who will comply with the electronic settlement procedures prescribed by the JSE and the Central Securities Depository. The Notes may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealer(s).

#### *Participants*

As at the date of this Programme Memorandum, the Participants which are approved by the JSE, in terms of the rules of the JSE, as settlement agents to perform electronic settlement of funds and scrip are the South African Reserve Bank, Citibank N.A, South Africa Branch, Société Générale, Johannesburg branch, FirstRand Bank Limited, Nedbank Limited, Standard Chartered Bank, Johannesburg branch and The Standard Bank of South Africa Limited. Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking société anonyme will settle offshore transfers through their South African Participant.

### **Notes issued in uncertificated form**

The Issuer may, subject to Applicable Laws, issue Notes that are to be listed on the Interest Rate Market of the JSE in uncertificated form. The Issuer may also issue unlisted Notes under each Series. Unlisted Notes are not regulated by the JSE. Notes issued in uncertificated form will not be represented by any certificate or written instrument.

With respect to Notes not listed on the Interest Rate Market of the JSE, the placement of such unlisted Notes may be reported through the JSE reporting system in order for the settlement of trades to take place in accordance with the electronic settlement procedures of the JSE and the Central Securities Depository. In such event, the Applicable Pricing Supplement will be delivered to the JSE and the Central Securities Depository. With respect to Notes not listed on the Interest Rate Market of the JSE, and not to be settled through the electronic settlement procedures of the JSE and the Central Securities Depository, no Applicable Pricing Supplement will be delivered to the JSE.

All transactions in uncertificated securities as contemplated in the Financial Markets Act will be cleared and settled in accordance with the Applicable Procedures. All the

provisions relating to Beneficial Interests in the Notes held in the Central Securities Depository will apply to Notes issued in uncertificated form.

### **Beneficial Interests**

The Central Securities Depository will hold each Tranche of Notes issued in uncertificated form, subject to the Financial Markets Act and the Applicable Procedures. Each Tranche of Notes issued in uncertificated form, will be registered in the name of the Central Securities Depository, and the Central Securities Depository will be named in the Register as the sole Noteholder of such Tranche of Notes.

Accordingly, and except where the contrary is provided in the Terms and Conditions, all amounts to be paid and all rights to be exercised in respect of the Notes held in uncertificated form, will be paid to and may be exercised only by the Central Securities Depository for the holders of Beneficial Interests in such Notes.

The Central Securities Depository maintains central securities accounts only for Participants.

The Participants are in turn required to maintain securities accounts for their clients. The clients of Participants may include the holders of Beneficial Interests in the Notes or their custodians. The clients of Participants, as the holders of Beneficial Interests or as custodians for such holders, may exercise their rights in respect of the Notes held by them in the Central Securities Depository only through their Participants.

In relation to each person shown in the records of the Central Securities Depository or the relevant Participant, as the case may be, as the holder of a Beneficial Interest in a particular Principal Amount of Notes, a certificate or other document issued by the Central Securities Depository or the relevant Participant, as the case may be, as to the Principal Amount of such Notes standing to the account of such person shall be *prima facie* proof of such Beneficial Interest.

Payments of interest and principal in respect of Notes held in uncertificated form, and registered in the name of the Central Securities Depository, will be made in accordance with Condition 8 to the Central Securities Depository, or such other registered holder of the uncertificated Notes as shown in the Register, and the Issuer will be discharged by proper payment to or to the order of the registered holder of the Certificate in respect of each amount so paid. The registered holder of such uncertificated Notes will in turn transfer such funds, via the Participants, to the holders of Beneficial Interests.

Each of the persons shown in the records of the Central Securities Depository and the relevant Participant, as the case may be, as the holders of Beneficial Interests will look solely to the Central Securities Depository or the relevant Participant, as the case may be, for such person's share of such payment so made by the Issuer to, or to the order of, the registered holder of such Notes.

The Issuer will not have any responsibility or liability for any aspect of the records relating to, or payments made on account of, Beneficial Interests, or for maintaining, supervising or reviewing any records relating to such Beneficial Interests.

### **Transfers and exchanges**

Transfers of Beneficial Interests in the Central Securities Depository to and from clients of the Participants occur by electronic book entry in the central securities accounts of the clients of the Participants. Transfers among Participants of Notes held in the Central

Securities Depository system occur through electronic book entry in the Participants' central security accounts with the Central Securities Depository. Beneficial Interests may be transferred only in accordance with the Conditions and the rules and operating procedures for the time being of the Central Securities Depository, Participants and the JSE.

The Issuer shall regard the Register as the conclusive record of title to the Notes.

### **Individual Certificates**

The Notes represented by Individual Certificates will be registered in the name of the individual Noteholders in the Register of Noteholders.

Notes represented by Individual Certificates may be transferred only in accordance with the Conditions.

Payments of interest and principal in respect of Notes represented by Individual Certificates will be made in accordance with Condition 8 to the person reflected as the registered holder of such Individual Certificates in the Register at 17h00 (Johannesburg time) on the Last Day to Register, and the Issuer will be discharged by proper payment to or to the order of the registered holder of the Certificate in respect of each amount so paid.

### **The BESA Guarantee Fund Trust**

Claims against the BESA Guarantee Fund Trust may only be made in respect of the trading of Notes listed on the Interest Rate Market of the JSE and in accordance with the rules of the BESA Guarantee Fund Trust.

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## **SOUTH AFRICAN TAXATION**

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*Words used in this section entitled "South African Taxation" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the relevant Series Supplement or the context otherwise requires.*

The comments below are intended as a general guide to the current position under the laws of South Africa. The contents of this section entitled "*South African Taxation*" do not constitute tax advice and persons should consult their professional advisers.

### **1 SECURITIES TRANSFER TAX**

No securities transfer tax will be payable, in terms of the South African Securities Transfer Tax Act, 2007, in respect of either the issue of the Notes or on the subsequent transfer of the Notes on the basis that the Notes will not comprise a "security" as defined in section 1 of the Securities Transfer Tax Act.

### **2 TAX RESIDENCE AND CONTROLLED FOREIGN COMPANIES**

South African ("**SA**") tax implications for Noteholders will depend, to a large extent, on the tax residence status of a Noteholder, including whether a foreign Noteholder would be regarded as a controlled foreign company. These concepts are discussed below.

### **3 NATURAL PERSONS**

A natural person will be a SA tax resident if he or she is "ordinarily resident" in South Africa or, if not "ordinarily resident" in South Africa, was physically present in South Africa for certain prescribed periods in the five tax years prior to and during the tax year in question ("**physical presence test**"). These periods amount to at least 91 days in each year of assessment and an aggregate of 915 days during those five preceding years of assessment. A natural person, not "ordinarily resident" in South Africa but who meets the "physical presence test", who is physically absent from South Africa for a continuous period of 330 days from the day immediately after the date on which such person ceases to be physically present in South Africa is deemed to have been a non-SA tax resident from the day on which the person ceased to be physically present in South Africa.

The above residence rules are subject to a provision that prescribes that, even if a person would be a SA tax resident in terms of the above rules, that person will not be so resident, and in fact will rather be a non-resident, if the person concerned is deemed to be exclusively a resident of another country for purposes of a double taxation agreement entered into by South Africa and the other jurisdiction.

### **4 PERSONS OTHER THAN NATURAL PERSONS**

A person other than a natural person will be a SA tax resident if it is incorporated, established or formed in South Africa or has its place of "effective management" in South Africa.

The tax treaty override also applies to persons other than natural persons, so that a person, even if tax resident in South Africa in terms of the above rules, would not be so resident if its treaty residence is determined to be in a jurisdiction other than South Africa in terms of a tax treaty entered into between South Africa and the other jurisdiction.

## 5 **CONTROLLED FOREIGN COMPANIES**

If any non-resident association, corporation, company, arrangement or scheme which falls within the definition of a company (a "**foreign company**") in which SA tax residents hold more than 50% of the participation rights or can exercise, directly or indirectly, more than 50% of the voting rights in that foreign company (a "**CFC**"), a proportionate amount of the net income and capital gains of the CFC will be included in the income of such SA tax residents, subject to certain exclusions. The rules applicable to SA residents and non-residents should be read in the context of the CFC rules, where applicable.

## 6 **INCOME TAX: INTEREST**

### 6.1 **Nature of any original issue discount or premium**

Any original issue discount to the face value of the Notes will be treated as interest for tax purposes and will be deemed to accrue to the Noteholder on a day-to-day basis until maturity or until such time as such Noteholder disposes of its beneficial interest in the Note. The amount to be included in the Noteholder's taxable income is normally calculated on a yield to maturity basis.

Any original issue premium will be added to the face value of the Notes to determine the initial amount which will be used to determine the interest which is deemed, under Section 24J of the Income Tax Act, 1962, to have been incurred or to have accrued in respect of the Notes.

### 6.2 **Tax on interest on Notes**

Under current taxation law in South Africa -

- (a) a person who is tax resident in South Africa will, subject to any available exemptions, be taxed on their worldwide income including all interest on the Notes; and
- (b) a person not tax resident in South Africa will be exempt from tax in South Africa on any interest received or accrued on the Notes, unless that person -
  - (i) is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate in the tax year; or
  - (ii) at any time during this tax year carried on business through a permanent establishment in South Africa.

From 1 March 2015, a 15% withholding tax on interest will ordinarily apply in relation to interest received by or accrued to Noteholders, subject to any available tax treaty relief, and provided the interest is not subject to normal tax in terms of the rule explained above. The withholding tax will also not



apply to Noteholders who are controlled foreign companies. Listed Notes will, however, be exempt from withholding tax on interest.

## **7 PROFITS ON DISPOSAL OTHER THAN INTEREST**

Any subsequent disposal of the Notes by a Noteholder who is resident in South Africa prior to their redemption may be subject to Capital Gains Tax, where applicable.

Capital gains are taxable at normal tax rates, but in the case of a natural person only one-third of the gain is taxable, and in the case of companies and trusts, two-thirds of the capital gain is taxable.

Noteholders who are not tax resident in South Africa will generally not be subject to capital gains tax (if any) on the disposal of Notes unless the Notes are assets of a trading permanent establishment of such non-resident located in South Africa.

For Noteholders who hold the Notes for speculative purposes, profits not already forming part of interest (being a discount or premium, as discussed above) will attract income tax for Noteholders who are SA tax residents and for those non-residents who derive these profits from a SA source, in which case treaty relief may be available for non-resident Noteholders not having a permanent establishment in South Africa.

## **8 VALUE-ADDED TAX**

No value-added tax ("**VAT**") is payable on the issue or transfer of the Notes. Notes constitute "debt securities", the issue, allotment, drawing, acceptance, endorsement or transfer of ownership of which is a financial service, which is exempt from VAT.

Commissions, fees or similar charges raised for the facilitation of these services will be subject to VAT at the standard rate (currently 14%), except where the recipient is a non-resident for tax purposes, in which case a zero rate may apply.

## **EXCHANGE CONTROL**

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*Words used in this section entitled "Exchange Control" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the relevant Series Supplement or the context otherwise requires.*

The comments below are intended as a general guide to the current position under the Exchange Control Regulations, 1961 as promulgated under the Currency and Exchanges Act, 1933, as amended, (the "**Regulations**") and are not a comprehensive statement of the Regulations. The information below is not intended as advice and it does not purport to describe all of the considerations that may be relevant to a prospective subscriber for, or purchaser of any Notes. Prospective subscribers for, or purchasers of any Notes who are non-South African residents or who are emigrants from the Common Monetary Area are urged to seek further professional advice in regard to the subscription for, or purchase of any Notes.

### **Non-South African Resident Noteholders and Emigrants from the Common Monetary Area**

Dealings in the Notes, the performance by the Issuer of its obligations under the Notes and the performance by a Security SPV of its obligations under the Series Guarantee, may be subject to the Regulations.

### **Blocked Rand**

Blocked Rand may be used for the subscription for or purchase of Notes. Any amounts payable by the Issuer in respect of the Notes subscribed for or purchased with Blocked Rand may not, in terms of the Regulations, be remitted out of South Africa or paid into any non-South African bank account.

### **Emigrants from the Common Monetary Area**

Any Individual Certificates issued to Noteholders who are emigrants from the Common Monetary Area will be endorsed "emigrant". Such restrictively endorsed Individual Certificates will be deposited with an authorised foreign exchange dealer controlling such emigrant's blocked assets.

In the event that a Beneficial Interest in Notes is held by an emigrant from the Common Monetary Area through the Central Securities Depository and its relevant Participants, the securities account of such emigrant will be designated as an "emigrant" account.

Any payments of interest and/or principal due to an emigrant Noteholder will be deposited into such emigrant's Blocked Rand account, as maintained by an authorised foreign exchange dealer. The amounts are not freely transferable from the Common Monetary Area and may only be dealt with in terms of the Regulations.

### **Non-residents of the Common Monetary Area**

Any Individual Certificates issued to Noteholders who are not resident in the Common Monetary Area will be endorsed "non-resident". In the event that a Beneficial Interest in Notes is held by a non-resident of the Common Monetary Area through the Central

Securities Depository and its relevant Participants, the securities account of such Noteholder will be designated as a "non-resident" account.

It will be incumbent on any such non-resident to instruct the non-resident's nominated or authorised dealer in foreign exchange as to how any funds due to such non-resident in respect of Notes are to be dealt with. Such funds may, in terms of the Regulations, be remitted abroad only if the relevant Notes are acquired with foreign currency introduced into South Africa and provided that the relevant Certificate or securities account is designated "non-resident".

For the purposes of these paragraphs, the **Common Monetary Area** comprises South Africa, the Republic of Namibia, the Kingdom of Lesotho and the Kingdom of Swaziland; **Blocked Rand** means funds which may not be remitted out of South Africa or paid into a non-South African resident's bank account. The relevant legislation relating to Blocked Rand is the Regulations promulgated under the Currency and Exchanges Act, 1933.

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## SUBSCRIPTION AND SALE

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*Words used in this section entitled "Subscription and Sale" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the relevant Series Supplement or the context otherwise requires.*

In terms of (and subject to) the Note Subscription Agreement, the Issuer may from time to time agree with the Dealer to issue, and the Dealer may agree to place, one or more Tranches of Notes.

### **Republic of South Africa**

Prior to the issue of any Tranche of Notes under the Programme by the Issuer, each Dealer for that Tranche of Notes will be required to represent and agree that it will not solicit any offers for subscription for or sale of the Notes in that Tranche of Notes, and will itself not sell Notes, in South Africa, in contravention of the Companies Act, the Banks Act, 1990, the Exchange Control Regulations and/or any other applicable laws or regulations promulgated thereunder. In particular, without limitation, this Programme Memorandum does not, nor is it intended to, constitute a prospectus (as that term is defined in the Companies Act) and each Dealer will be required to represent and agree that it will not make "an offer to the public" (as that term is defined in the Companies Act) of any of the Notes in that Tranche of Notes (whether or subscription or sale) and any regulations promulgated thereunder. Notes will not be offered for subscription to any single addressee for an amount of less than ZAR1 000 000.

### **United States of America**

The Notes have not been and will not be registered under the United States Securities Act, 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Prior to the issue of any Tranche of Notes under a Series by the Issuer, each Dealer for that Tranche of Notes will be required to represent and agree that -

- (i) the Notes in that Tranche have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account of or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- (ii) it has not offered, sold or delivered any Notes in that Tranche and will not offer, or sell or deliver, any Notes in that Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 (forty) days after completion of the distribution, as determined and certified by the Dealer or, in the case of an issue of such Notes on a syndicated basis, the relevant Lead Manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons;

- (iii) it will send to each dealer to which it sells any Notes in that Tranche during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Notes within the United States or to, or for the account or benefit of, U.S. persons;
- (iv) it, its affiliates and any persons acting on its or any of its affiliates behalf have not engaged and will not engage in any directed selling efforts with respect to the Notes in that Tranche and it, its affiliates and any persons acting on its or any of its affiliates' behalf have complied and will comply with the offering restrictions requirements of Regulation S.

Until 40 (forty) days after the commencement of the offering of a Tranche of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the Securities Act.

### **United Kingdom**

Prior to the issue of any Tranche of Notes under a Series by the Issuer, each Dealer for that Tranche of Notes will be required to represent and agree that -

- (i) it has not offered or sold, and prior to the expiry of a period 6 (six) months from the Issue Date in respect of each Tranche of Notes will not offer or sell, any Notes in that Tranche to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations, 1995 of the United Kingdom;
- (ii) it has complied with and will comply with all applicable provisions of the Financial Services and Markets Act, 2000 (the "**FSMA**") with respect to anything done by it in relation to the Notes in that Tranche in, from or otherwise involving the United Kingdom; and
- (iii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in that Tranche in circumstances in which section 21(1) of the FSMA does not apply to the Issuer.

### **European Economic Area**

In relation to each Member State of the European Economic Area which has implemented the prospectus directive (each, a "**Relevant Member State**"), each of the Issuer and Dealer(s) has represented and agreed that, with effect from and including the date on which the prospectus directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made, and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State -

- (i) in the period beginning on the date of publication of a prospectus in relation to those Notes which prospectus has been approved by the competent authority in

that Relevant Member State in accordance with the prospectus directive and/or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the prospectus directive and ending on the date which is 12 (twelve) months after the date of such publication;

- (ii) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (iii) at any time to any legal entity which has two or more of (a) an average of at least 250 employees during the last financial year; (b) a total balance sheet of more than €43 000 000; and (iii) an annual net turnover of more than €50 000 000 as shown in its last annual or consolidated accounts; or
- (iv) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the prospectus directive.

For the purposes of this provision, the expression an "*offer of Notes to the public*" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the prospectus directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

## **General**

Prior to the issue of any Tranche of Notes under a Series, each Dealer for that Tranche of Notes will be required to represent and agree that it will (to the best of its knowledge and belief) comply with all Applicable Laws in force in each jurisdiction in which it purchases, subscribes or procures subscriptions for, offers or sells Notes in that Tranche or has in its possession or distributes this Programme Memorandum and any Series Supplement and will obtain any consent, approval or permission required by it for the purchase, subscription, offer or sale by it of Notes in that Tranche under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, subscriptions, offers or sales.

Each Dealer for a Tranche of Notes will be required to represent and agree that it will comply with such other or additional restrictions in relation to that Tranche of Notes as the Issuer and such Dealer specify and as are set out in the relevant Series Supplement and Applicable Pricing Supplement.

Neither the Issuer nor any of the Dealer(s) represent that Notes may at any time lawfully be subscribed for or sold in compliance with any applicable registration or other requirements in any jurisdiction or pursuant to any exemption available thereunder or assumes any responsibility for facilitating such subscription or sale.

## **GENERAL INFORMATION**

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*Words used in this section entitled "General Information" shall bear the same meanings as used in the section entitled "Terms and Conditions of the Notes", and as defined elsewhere in this Programme Memorandum, except to the extent that they are separately defined in this section or the relevant Series Supplement or the context otherwise requires.*

### **Authorisations**

All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer under the laws of South Africa have been given for the establishment of the Programme and the issue of Notes under each Series. As at the date of this Programme Memorandum, no approval from the Financial Surveillance Department of the South African Reserve Bank is required for the registration and approval of this Programme Memorandum.

### **Listing**

This Programme Memorandum has been registered by the JSE. Notes to be issued under each Series may be listed on the Interest Rate Market of the JSE or any successor exchange and/or such other or further exchange(s) as may be agreed between the Issuer and the Dealer(s) and subject to any relevant ruling law. Unlisted Notes may also be issued. Unlisted Notes are not regulated by the JSE.

### **Clearing systems**

The Notes have been accepted for clearance through the Central Securities Depository, which forms part of the clearing system of the Interest Rate Market of the JSE and may be accepted for clearance through any additional clearing system as may be agreed between the JSE, the Issuer and the Dealer.

### **Participants**

As at the date of this Programme Memorandum, the Participants who are Participants recognised by the JSE are, amongst others, the South African Reserve Bank, Absa Bank Limited, FirstRand Bank Limited, Nedbank Limited, The Standard Bank of South Africa Limited, Citibank N.A., South Africa branch and Standard Chartered Bank, Johannesburg branch. Euroclear Bank S.A./N.V., as operator of the Euroclear System and Clearstream Banking société anonyme will settle offshore transfers through South African Participants.

### **Material Change**

After due and careful enquiry and consultation with the Auditor, no material change has occurred in the financial position of the Issuer since the date of its last audited financial statements to the date of this Programme Memorandum.

### **Litigation**

The Issuer is not engaged (whether as defendant or otherwise) in any legal, arbitration, administration or other proceedings other those disclosed in this Programme Memorandum, if any, the results of which might have or have had a significant effect on

the financial position or the operations of the Issuer, nor is it aware of any such proceedings being threatened or pending.

### **Auditors**

PriceWaterhouseCoopers are the current auditors of the Issuer.

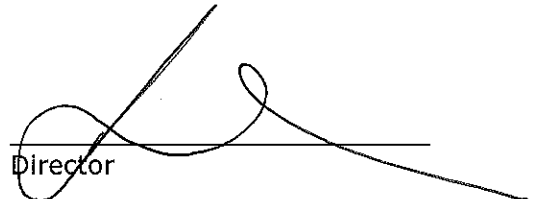
### **Documents**

So long as any Note remains outstanding, a copy of this Programme Memorandum and each of the documents referred to in the section of this Programme Memorandum entitled "*Documents Incorporated by Reference*" will be available for inspection by the general public at the Specified Office of the Administrator.

A copy of this Programme Memorandum is available on the JSE's website, [www.jse.co.za](http://www.jse.co.za).

Signed at Sandton on behalf of iMpumelelo CP Note Programme 1 (RF Limited) on 17 August 2015.

  
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Director

  
\_\_\_\_\_  
Director



## **CORPORATE INFORMATION**

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### **ISSUER**

iMpumelelo CP Note Programme 1 (RF) Limited  
(Registration Number 2013/211998/06)  
Registered Office:  
3<sup>rd</sup> Floor, 200 on Main  
Corner of Main and Bowwood Roads  
Claremont, 7708  
Contact: Mr Kuveshen Chetty

### **ARRANGER, DEALER, DEBT SPONSOR AND ADMINISTRATOR**

Absa Bank Limited  
(acting through its Corporate and Investment Banking division)  
(Registration Number 1986/004794/06)  
15 Alice Lane  
Sandown  
Sandton, 2196  
Contact: Mr Neil Slabbert

### **CALCULATION AGENT, PAYING AGENT AND TRANSFER AGENT**

Absa Bank Limited  
(acting through its Corporate and Investment Banking division)  
(Registration Number 1986/004794/06)  
15 Alice Lane  
Sandown  
Sandton, 2196  
Contact: Mr Neil Slabbert

### **SECURITY SPV**

Bowwood and Main No. 103 Proprietary Limited  
(to be renamed iMpumelelo Security SPV 1 (RF) Proprietary Limited)  
(Registration Number: 2013/227248/07)  
Registered Office:  
6<sup>th</sup> Floor, World Trade Centre  
Green Park  
Corner West Road South and Lower Road  
Sandton, 2196  
South Africa  
Contact: Rishendrie Thanthony

**LEGAL ADVISERS TO THE ARRANGER, DEALER AND ISSUER**

Werksmans Inc  
155 – 5<sup>th</sup> Street  
Sandown  
Sandton, 2196  
Private Bag 10015  
Sandton, 2146  
South Africa

Contact: Mr Richard Roothman/Ms TL Janse van Rensburg

**AUDITORS TO THE ISSUER**

PriceWaterhouseCoopers  
(Registration Number 1981/012055/21)  
2 Eglin Road  
Sunninghill, 2157  
South Africa

Contact: Mr Francois Prinsloo

**OWNER TRUSTEE**

TMF Corporate Services (South Africa) Proprietary Limited  
(previously known as GMG Trust Company (SA) Proprietary Limited)  
3rd Floor, 200 on Main  
Corner of Main and Bowwood Roads  
Claremont, 7708

Contact: Mr Brendan Harmse

**SECURITY SPV OWNER TRUSTEE**

TMF Corporate Services (South Africa) Proprietary Limited  
(previously known as GMG Trust Company (SA) Proprietary Limited)  
3rd Floor, 200 on Main  
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Claremont, 7708

Contact: Mr Brendan Harmse